Spring 2016

Mob Rule vs. Progressive Reform

Ethan Moon Barness
Bard College, Eb2752@bard.edu

Follow this and additional works at: https://digitalcommons.bard.edu/senproj_s2016

Part of the Political History Commons

This work is licensed under a Creative Commons Attribution-Noncommercial-No Derivative Works 4.0 License.

Recommended Citation
https://digitalcommons.bard.edu/senproj_s2016/185

This Open Access work is protected by copyright and/or related rights. It has been provided to you by Bard College's Stevenson Library with permission from the rights-holder(s). You are free to use this work in any way that is permitted by the copyright and related rights. For other uses you need to obtain permission from the rights-holder(s) directly, unless additional rights are indicated by a Creative Commons license in the record and/or on the work itself. For more information, please contact digitalcommons@bard.edu.
Mob Rule vs. Progressive Reform

The struggle between organized crime, machine politics and the Progressive Reform Movement for control over New York City municipal politics from 1900-1935

Senior Project submitted to

The Division of Social Studies
Bard College

by Ethan Barness
Acknowledgements

I would like to thank my Project Advisor Myra Armstead for guiding me through the research process in my senior year at Bard. I would like to thank my mother, my father and my sister as well as all my closest friends and relatives, whose support I greatly appreciate. I would like to especially thank my wonderful roommates Bella, Elizabeth Erin and Tatanka for supporting me throughout this process. Much thanks go to the faculty who I have encountered at Bard and all the good people I’ve met here since the beginning.
# Table of Contents

**Abstract**  
**Introduction**

## Chapter 1: Machine Politics, Progressive Politics and Organized Crime  
7  
* A Historical Overview of Tammany Hall 7  
* The Progressive Reform Movement (1900-1913) 14  
* The “Black Hand” Sicilian Mafia 20  
* Omerta: The Mafia’s Vow of Secrecy 22  
* Secrecy, Surveillance and National Security 25  
* National Transparency and an Order of Efficiency 29

## Chapter 2: The Rise of New York City’s “Black Hand”  
31  
* The Morello Crime Family 32  
* Joseph Petrosino and The “Italian” Squad 39  
* The Neapolitan Camorra Tradition 42  
* The Mafia-Camorra War 44

## Chapter 3: Competing Models of Efficiency  
48  
* Murder and Exclusion for Efficiency 49  
* The Early Battles of the Jazz Age 55  
* The Democratic National Convention of 1924 59  
* The Criminal Career of Charlie “Lucky” Luciano 61  
* Tammany’s Power Under Richard Croker and Charles F. Murphy 66

## Chapter 4: The Mob Inside and the Mob Outside  
70  
* The Last Battle for the “Happy Warrior” 71  
* Harding’s Corrupt Cabinet: The “Ohio Gang” 74  
* Enter J. Edgar Hoover 79  
* The New York Times’ Expose’ on Tammany Corruption 81

## Chapter 5: The Chairman and the President  
86  
* Who Killed “The Clutch Hand”? 86  
* News for Lucky and the Mayor 88  
* Problems Caused by Solutions 91  
* How To Please the Whole Party 92

**Conclusion**  
**Bibliography**
Abstract

This essay examines the role of organized crime in local, state and federal politics during the 1920s era of Prohibition. More specifically, it interrogates how these relationships affected the social, political, cultural and economic climate of New York City. The three organizations that will be examined are (1) the municipal political machine at Tammany Hall, (2) the Italian-American Mafia and (3) the federal organizations established as a result of the Progressive Reform Movement. Primary evidence consists of a series of articles from the *New York Times* and other accounts from individuals involved with any of these three interest groups. Secondary sources consists of academic articles from intellectual and political historians, including mafia historians as well as several biographers. Argued here is that each of the above mentioned institutions were able to establish their own *models of efficiency* in order to achieve each of their desired ends. These goals are investigated in regards to the structure of these organizations, which in various cases chose to structure themselves as being organized as either from the top down, or conversely from the bottom up. Explored here is how each of these structures, when adopted, led to both advantages and disadvantages for the organization using them. The leaders of these organizations are then brought into question by looking at their own primary accounts or accounts from people close to them.
Introduction

There are a plethora of ways in which America changed around the turn of the twentieth century. The thirty two year period from 1900-1932 was a developmental window of time for very significant changes that occurred within both the nation’s growing political-economy and diverse ethnic makeup. Both then and now, these changes are undeniable. Evidence of this is in newspapers from the Progressive Era and Prohibition, which reported on pivotal events and changes in the political climate. Demographic and spatial shifts reshaped the urban landscape as a result of massive waves of European immigrants and black migrants from the south.

The debate over national Prohibition divided America’s two main political parties. Large nationwide temperance organizations formed in the nineteenth century such as the Anti-Saloon League and Women’s Christian Temperance Union, both of which lobbied Congress for millions of dollars in order to ratify the 18th Amendment, which banned the sale and consumption of intoxicating liquors. Around the same time, in 1924, Congress passed the Johnson Act, which set a quota on the number of immigrants allowed to be given citizenship annually; this meant only 2% of the number of immigrants who came to America in 1890 were allowed after 1924. This is a clear sign to historians that America was suffering growing pains, which it needed to relieve itself of at this point. The following work will analyze events from this transformational period by looking at examples of how different organizational “models of efficiency” were formed and utilized by powerful interest groups on both sides of the law. These groups will be looked at in terms of both their order of arrival and their role in New York City’s urban political economy.

---

The overarching narrative begins with the origins of urban machine politics rooted in the nineteenth century, controlled by members of New York City’s Tammany Hall. It continues to look at how Tammany Hall protected its power by maintaining its own tight circle of district leaders, assemblymen, alderman, senators, congressmen and city officials such as the Chief of Police and the heads of major citywide unions. Together, their organization sustained its political power by maintaining a relationship with local immigrants who lived in New York City’s densely populated immigrant neighborhoods, mobilizing them to vote for whichever Tammany candidate was nominated.

In opposition to this kind of inside political conglomerate centered around New York City, there is the reformer and the progressives, whom together, wished to augment the power of these urban machines and centralize it around the federal government. Within this vision, there was important differences in how this goal was to be accomplished. This vision spanned among both parties and took on many different forms based on how different political factions viewed the civic question regarding Prohibition. Those in favor of Prohibition tended argued that urban alcoholism was conducive to unproductive lifestyles and immoral behavior among the newly settled of immigrant. This view was motivated by xenophobia since these people tended to be unfamiliar with foreigners, as well as being ignorant to the real causes of urban poverty and decay.

Following this topic, Tammany Hall, the Italian Mafia and the Progressive Reform Movement develop models of efficiency in order to reach certain political or economic goals? The first chapter will give a brief overview history of these three topics: the political machine, the Progressive Era and organized crime in New York City. The second chapter will look at the growth of the Italian mafia from their immigration to America leading up to Prohibition and their first encounters with American law enforcement. The Italian mafia’s infamy in the media
was perpetuated by its violent ways of maintaining secrecy which lead their persecutors on a body trail that only rarely presented enough evidence to build an effective case against the organization. The third chapter will discuss how these different organizations formed models of efficiency in order to compete for control over New York City politics, and the significance of the 1924 Democratic National Convention. The fourth chapter will look at the different forms of corruption inside and outside of the organization of the mafia and the political machine. Chapter five will discuss a few of the influential people, places and events that helped bring an end to Prohibition.
Chapter 1: Machine Politics, Progressive Politics and Organized Crime

_A brief history of three organizations leading up to the turn of the century._

_A Historical Overview of Tammany Hall_

In 1928, historian and biographer W.R. Werner began his account of Tammany Hall by introducing a historical figure, about whom myths were created. “Once upon a time,” Werner writes, “there was an Indian chief. His name was Tammany, and his deeds were legend”. Saint Tammany is a figure mythologized by the Delaware Lenni-Lenape; a Native American tribe with origins in _Mannahatta_. Upon their settlement, Europeans renamed it Manhattan. Werner’s book surveys Tammany under the leadership of their most prominent patrons: William “Boss” Tweed, “Honest John” Kelly, succeeded by Richard Croker, who was forced to step down due to charges of corruption and was replaced by Lewis Nixon who soon resigned and was replaced by Charles F. Murphy in 1902. Werner begins by discussing how Aaron Burr used his relationship to the early Tammany Society in order to acquire a position in New York’s local electorate. The Tammany Society was founded in 1786 as a way to help early immigrants assimilate to life in America. In the first two decades of the nineteenth century, the first large influx of Irish immigrants arrived in the United States and many of them settled in New York City. As the population of the city continued to grow, Irish immigrants began organizing around the

---


The mythology of Saint Tammany is that he was able to protect his people from natural disasters. The way Werner describes the myth is that “when the Devil tried to flood Tammany’s territory by damming up lakes Erie, Huron, and Michigan, Tammany calmly drained them off”. Werner references Dr. Samuel L. Mitchell, who was a Professor of Chemistry, Natural history and Agriculture at the College of New York, in the early years of the 19th century. According to Mitchell wrote _The Life, exploits and precepts of Tammany_ in 1795, “after unceasing exertions of fifty days, Tammany skilfully taking advantage of the hip-lock, threw him head and shoulders to the ground, and endeavored to roll him into the Ohio and drown him, but an immense rock standing in the way, he could not effect it”. The myth continues to tell about how Tammany traveled to Mexico to meet with the leaders of the Inca Empire, who admired his leadership ability. During the time when Tammany the Lenape people he left behind, “became lazy, then wicked, and finally diseased”.

Tammany Society, and soon Tammany became dominated by its Irish members. New York City’s system of local politics was organized in terms of wards; each ward had its own “ward boss”, who was usually appointed by the most powerful member of Tammany, holding the title of “boss” or “Tammany Leader”. The boss usually held one or numerous positions within local politics and the Democratic Party, such as an assemblyman or a New York state senator. The Tammany Hall system is referred to as a political “machine” because it was meant to function efficiently in such a way. Part of what made it so efficient was that it cut out an important, but often a time-consuming part of the democratic electoral process.

Tammany leaders used electioneering methods such as bribing their candidates with alcohol and food or in many cases paying for votes using public wealth. Many examples show how Tammany Hall leaders were able to form certain models of efficiency in order to persuade the public to vote for the boss’s certain hand picked candidate. This was done by appealing to large voting blocks and specific party platforms, aimed towards each particular voting block. One example that Werner gives is the example of William Devery, one of Murphy’s main competitors for leadership over Tammany. Werner describes how Devery’s campaign was based on the idea that, “‘you can’t do nothin’ with the people unless you do somethin’ for em’”, which was a quote given by Devery to a newspaper reporter. An example of how he decided to this was

Before the primary election in September Devery gave a barbecue on an empty lot in his district. It was said that twenty thousand glasses of beer were given away that hot summer day on the dusty lot. Men scrambled over each other to reach the refreshments. The beer was brought up in kegs, and the drivers of the brewery wagons wore red-white-and-blue. Each keg was marked ‘Special Devery Brew’. Fifteen bartenders served the large crowd and butchers cut bullocks to make sandwiches...the opposition to Devery... needed fraud to counteract his generosity

Werner’s example shows not only the methods used by Tammany candidates to organize community events, but also the role of alcohol in attracting people to these events. Despite the

---

4 Werner, 535. Werner points out that “Sulzer had appointed John A. Hennesy to investigate corruption in all the departments of the state government. Hennesy found enough to startle Murphy. Hennesy estimated that the State got thirty cents of value for every dollar spent on its roads, and that: ‘As these cases develop the electors of New York State will learn that the political organization, so-called Democratic, captained by Charles F. Murphy in New York City... is organized to loot the treasury and regards every honest man as its enemy’”

5 Werner, 488-490
fact that, “Devery spent $30,000 on his primary fight to become the Tammany leader of the Ninth District... in addition to the money which was spent for the purchase of votes... Devery, however, was defeated by the regular Tammany district leaders, controlled by Murphy”. Devery identified as a “an independent anti-Tammany candidate”.

These voting districts were was densely populated, mostly with working class immigrants, many of whom were indebted to machine politicians. As the second wave of immigrants arrived to America from southern Europe, Tammany needed to adapt its organization to accommodate this diverse new ethnic amalgam developing in New York City. In order to do this, Tammany needed to make connections with individuals who had power within these ethnic neighborhoods, such as the “King of Little Italy”, who was a large Neapolitan man named Giosue Gallucci. By involving certain powerful ethnic leaders, and changing their policy of only allowing native born and Irish members, Tammany was able to maintain its efficiency.

A trend during this period was that members of certain ethnic migrant groups tended to settle into neighborhoods with a common ethnic identity. Due to this trend, and the way in which the voting system worked, Irish, German, Italian and Jewish immigrants in their own ethnic neighborhoods became seen by Tammany politicians as large “voting blocks” because of how the voting districts were designed. In the same sense, these many different ethnic groups became associated with a certain trade or industry within the local economy.

In The History of New York, Francois Weil explains how ethnic neighborhoods shift during the second wave of immigration. Groups that hadn’t previously been in New York City had begun to arrive in large numbers. Weil describes a pattern of movement within the city, where the older Irish and German immigrants living in lower Manhattan begin to move uptown,

---

6 Werner, 490
as the incoming Jewish and Italian immigrants move into the old downtown tenements. Weil gives a good description of the origins of Jews moving into lower Manhattan:

Hungarian Jews lived primarily in the northern part of the Lower East Side, in the Eleventh Ward... 200,000 Jews, many of Russian origin, employed in the district’s garment workshops, building firms, printing shops and graphics industries... in the Mulberry Bend district are to be found Neapolitans and Calabrians mostly; in Baxter street, near the Five Points, is a colony of Genoese; in Elizabeth street between Houston and Spring, a colony of Sicilians... Neapolitans have come into Sullivan and Thompson streets to work in the flower and feather trades.

This transformation occurred under leadership of Charles F. Murphy. In 1912, Murphy supported the campaign of the 39th Governor of New York State, William Sulzer, a Jewish Tammany candidate that supported oppressed Jewish immigrants from Eastern Europe, who was therefore popular among both groups of non-Irish immigrants in New York City. Murphy’s choice to support Sulzer did not necessarily fall in line with the politics of previous Tammany candidates, but was nonetheless seen as a good political strategy for attracting other ethnic groups to support Tammany. Werner describes the reasons why diplomatic ties between Sulzer and Murphy were severed, once Sulzer’s goals became progressive he aimed at ending corruption, which got in the way of Murphy’s grafting system.

Whether or not it was Werner’s intention to frame his book in such a way, he exposes many of the ins and outs of Tammany’s corrupt system. Werner’s account gives clear examples of how large campaign contributions came from wealthy business owners and/or private citizens. Once these associations were made, private interest groups were able to push a candidate’s campaign platform to appeal to the interest of a certain voting block. Much of Tammany’s private wealth came from their practice of accepting graft in exchange for policies geared toward

---

8 “While he was a Congressman, William Sulzer had spoken vigorously in favour of the repeal of the treaty between the United States and Russia because of the treatment of Jews in Russia. This won him the admiration of several bankers in New York whose racial heritage caused them to sympathize with their Hebrew brethren” Werner, 540
9 Werner, 535
private interests. Graft was a way for Tammany to maintain its economic and political power. In his book *Plunkitt of Tammany Hall*, George Washington Plunkitt makes a distinction between “honest graft” and “dishonest graft”. Plunkitt argues that when a politician takes money from individuals such as “black mailin’ gamblers, saloonkeepers” or “disorderly people”, then that is a “dishonest” form of bribery. According to the Oxford English Dictionary, graft is: “The obtaining of profit or advantage by dishonest or shady means; the means by which such gains are made, esp. bribery, blackmail, or the abuse of a position of power or influence; the profits so obtained”\(^\text{10}\). The problem with the question that Plunkitt is taking a position on, is that his question is not whether or not graft should be legal, but where this money should come from. As long as an elected official or a candidate takes money in side deals from someone engaged in legal occupations, the politician is operating honestly, according to Plunkitt. Plunkitt says,

I see my opportunity and I take it. I go to that place and I buy up all the land I can in the neighborhood. Then the board of this or that makes its plan public, and there is a rush to get my land, which nobody cared particular for before. Ain’t it perfectly honest to charge a good price and make a profit on my investment and foresight? Of course, it is. Well, that’s honest graft\(^\text{11}\).

Plunkitt prefers honest graft to dishonest graft, based on this distinction; he believes that it is okay for politicians to profit from their “investment and foresight”, but not to take money directly from gamblers or individuals who acquired their own funds illegally. The reason why Plunkitt argues that dishonest graft is harmful for Tammany’s system is because it leads to questions of corruption, which harm their model of efficiency. Tammany depends greatly on a politician’s public image, which determines how much credibility of the organization has a whole. What Plunkitt doesn’t acknowledges in his book is that any form of graft is a mechanism used by private interest to get a foothold in politics.


\(^{11}\) Plunkitt, 2
In order to further analyze this distinction, it is necessary to look at the history of Tammany Hall and the ways in which these sources of graft differed among the members of this conspicuous political organization. Tammany Hall was conspicuous because it did not hide the fact that it ran like a machine, and its members such as Plunkitt spoke openly about how Tammany’s system functioned efficiently and therefore played an important role in urban society during the late 19th and early 20th century. Plunkitt was himself a Tammany operative; according to his biographer, Plunkitt was:

Tammany leader of the Fifteenth Assembly District, Sachem and Chirman of the Elections Committee of Tammany Hall, who.. Held the offices of State Senator, Assemblyman, Police Magistrate, County Supervisor and Alderman, and who...boast[ed] his record in filling four public offices in one year and drawing salaries from three of them at the same time12.

In his book, Plunkitt does not shy away when stating the significance and power of Tammany Hall. Plunkitt perpetuates the idea that Tammany politicians, when only involved with honest graft, can become powerful individuals and the system works efficiently without exploiting its constituents. Plunkitt compares this idea to the then lack of support for progressive candidates at the time. He attacks the Progressive Reform Movement and advocates for machine politics, at a time when the former was beginning to gain traction as a nationwide movement. Plunkitt flaunts Tammany’s success over these late 19th century movements to pass national reforms:

Take the reform movement of 1894. A lot of good politicians joined in that – the Republicans, the State Democrats, the Stecklerites and the O’Brienites, and they gave us a lickin’, but the real reform part of the affair, the Committee of Seventy that started the thing goin’, what’s become of those reformers? What’s become of Charles Stewart Smith? Where’s Bangs? Do you ever hear of Cornell, the iron man, in politics now? Could a search party find R. W. G. Welling? Have you seen the name of Fulton McMahon or McMahon Fulton – I ain’t sure which – in the papers lately? Or Preble Tucker? Or – but it’s no use to go through the list of the reformers who said they sounded in the death knell of Tammany in 1894. They’re gone for good, and Tammany’s pretty well, thank you. They did the talkin’ and posin’, and the politicians in the movement got all the plums. It’s always the case.13

12 Plunkitt, liii
13 Plunkitt, 23
Here, Plunkitt argues for the stability and longevity of the political machine versus the goals of reform movements at the time. He is saying that the Tammany system has survived as long as is had because of how efficiently the machine works. Plunkitt does not go on about how efficiency is possible due to corruption in the way that Werner does. Instead, he argues the ways in which re-election occurs for practical reasons, which assumes there is a completely trustworthy relationship between Tammany and its constituents. Plunkitt argues that the system of graft is efficient because it establishes politics as a form of business, in the sense that politicians become leaders by being opportunists. In Plunkitt’s view, the question of whether or not these opportunities are legitimate determines whether or not a politician is engaged in honest or dishonest graft.

There are several pertinent questions here regarding Tammany Hall: How efficient was Tammany Hall? Did efficiency play a role in its longevity and demise? We will answer these questions by exploring the shifting nature of the relationship between Tammany Hall and organized crime from the turn of the century to the 1920s. By investigating the prevalence of both honest and dishonest graft within Tammany. The distinction Plunkitt made between participants in dishonest graft, the “blackmailin’ gamblers”, turns out to be useful because it can help us account for the degree of corruption within Tammany during this and the following era.

Plunkitt believes that “politics is as much a regular business as the grocery or the dry-goods or the drug business. You’ve got to be trained up to it or you’re sure to fail”14, which is his argument as to why Tammany politicians are best fit to remain in power. Plunkitt gives an anecdotal reason why he is best fit to be in office, and he attributes this virtue to the fact that he became a member of the Tammany system at a very young age, he says: “When I was twelve

---

14 Plunkitt, 23
years old I made myself useful around the district headquarters and did work at all the polls on election day. Later on, I hustled about gettin’ out voters who had jags on or who were too lazy to come to the polls.” Plunkitt sees himself as being bred to remain in office as a powerful member of Tammany. In this way Plunkitt is arguing that he paid his dues to the system and earned each of his positions; by being bred to be an honest Tammanyite, he was trained to contribute to the machine’s efficiency.

**The Progressive Reform Movement (1900-1913)**

Participants of the Progress Reform Movement subscribed to an ethos of efficiency and order that was very different from the ethos put forth by Plunkitt. In the time between the turn of the nineteenth century and the beginning of the 1930s, the United States underwent significant political, economic and social changes; this pivotal time period shaped America’s political economy for the remainder of the twentieth century, and set the stage for American politics today. The world was a very different place in the year 1900 and America was a very different country; large economic growth since the middle of the nineteenth century was due in part to the consistently large waves of European immigrants (mostly of Italian, Irish or eastern European origin), arriving in coastal cities, most abundantly in the New York City. This influx of immigrants fueled the industrial economic growth, and with it, created the need to re-shape how the American political system had to function in order to efficiently govern a significantly larger, fractious and diverse body-politic than there had been previously.

The creation of a new order within the federal government was meant to stabilize social relations with first generation immigrants and standardize everyday procedures in public life and business. Part of this legislative reform included the earlier New York Housing Act of 1867 and

15 Plunkitt, 24
later the New York Health Act of 1913. The late historian of American politics, Professor Richard H. Wiebe describes how these early legislations were a product of a moral stance against gender inequality and the lack of child labor laws. Wiebe also draws a distinction between the reformer who were “streamlining the government” and those who “entered the slums”. Wiebe points out certain ways in which the Progressive Reform Movement was successful in creating state and federal institutions to try and help inner city poverty and ensure a moral business practice. Wiebe supports the work done by these early reformers within New York State because they helped the city take care of the influx of immigrants coming in at this time. Wiebe explains what the primary platform for the Progressive Party and the reform movement were:

Settlement houses multiplied in the new century... Campaigns for public health, originating in the eighties as drives against filth and them broadening into attacks upon particular diseases, developed around 1900 into integrated city-wide programs. Just as naturally, slum life involved progressives in housing and factory conditions, and that in turn led to new regulations covering both areas. The reformers asked and to a surprising degree received one another’s assistance. When a child labor committee brought it bill before the New York legislature in 1903, for instance, an extraordinary collection of settlement workers, union officials, young lawyers, public administrators and other professionals eagerly gathered to lobby for the measure... If humanitarian progressivism had a central theme, it was the child. He united the campaigns for health, education, and a richer city environment, and he dominated much of the interest in labor legislation. Female wage earners--mothers in absentia--received far closer attention than male, movements for industrial safety and workmen’s compensation invariably raised the specter of the unprotected young, and child labor laws drew the progressives’ unanimous support. The most popular version of legal and penal reform also emphasized the needs of youth.\textsuperscript{16}

Due to the Progressive Reform Movement’s outside perspectives on urban life, their approach proved to be somewhat idealistic in solving these complicated urban issues. Wiebe explains further how, “at first, the urban progressives had expected to transplant village intimacy into the city, either directly through the kind of neighborhood cohesion settlement workers were cultivating or through the ‘organic city’ of brotherhood and compassion”. However, the idealization that this movement did not realize, was that “the new bureaucratic vision accepted the impersonal flux of the city and anticipated its perfect systemization”. However, the city does not work as a perfect system such change as child labor isn’t compensated for in any efficient way. Without public programs to support children who are no longer working in factories, these

children are left alone. Wiebe says, “perhaps only half aware, of what they were doing, they transformed the sin of child labor into the sin of the unprotected child”\textsuperscript{17}. This is very significant for how we think about the role of the urban youth within the Tammany system and how we think about the youth in the context of the American born members of the Italian mafia and its Jewish associates.

These types of political and economic reforms, which Wiebe discusses occurred on a local, state and federal level, manifesting differently for each. At the federal level, these ideals resonated in the progressive ideals of President Theodore Roosevelt, who was the former governor of New York. On the level of local and state government, the model of machine politics wasn’t significantly affected by these systematic changes. Wiebe shows how despite the level of corruption surrounding Tammany Hall, these efforts to improve public health went mostly uninterrupted by Tammany; “Charlie Murphy, chief of Tammany, declared public health beyond politics. In fact the whole family of medical professions had suddenly risen from the depths to a position of exalted prestige”\textsuperscript{18}

The relevant political changes resulting from the Progressive Reform Movement on the federal level can be summed up by the addition of the 16th and 17th Amendments of the Constitution in 1913, and the addition of the 18th Amendment in 1919. The ratification of the 18th Amendment marks the end of what is considered the Progressive Era and the beginning of the Prohibition Era or “the Jazz Age”. What our legal system is left with is laws that require a third party to enforce these new Amendments-- laws regulating finance don’t matter without an agency that exists to do that regulating. The 16th Amendment gives the government the power to collect income taxes, it states: “the Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several states, and

\textsuperscript{17} Wiebe, 170
\textsuperscript{18} Wiebe, 116
without regard to any census or enumeration”. The 17th Amendment ensures that members of Congress are elected by the popular vote of the people in a given state or district. The 18th Amendment, which passed six years later, banned the sale and consumption of intoxicating beverages, and it is the first amendment in the Constitution, which actually takes away from the rights of the American citizen, rather than protecting their rights. With the ability to collect federal and state taxes, the government was able to afford to put in place many new organizations and continue to fund the ones already in existence. One of the goals motivating these national political changes was to stop the Tammany bosses who had taken political power over densely populated urban districts using their connection with organized crime to act on behalf of private interests in politics.

Wiebe discusses the Tammany Hall political machine in his book *The Search for Order*. Much of Wiebe’s focus is to look at the creation of federal agencies as a way to stop the growth of urban political machines. The title of his book refers to the struggle between centralization and decentralization during this time. The situation that Wiebe describes, refers mostly to the end of the 19th century, which gives a context for the events that transpired during the turn of the century through the 1920s. Wiebe argues that:

> Excessive mobility, disrupted neighborhoods, and waves of Europeans contributed to a peculiarly apolitical climate in the major American cities, and in this atmosphere the ward boss gained a particularly deep loyalty from old and new residents alike by acting as their intermediary in a bewildering world...the machine enjoyed its own independent sources of power. Yet the very fluidity that brought the machine to power posed a constant threat to its life. Rarely did one operate for as long as a decade without some major failure... the success of the urban machine meant additional disruptions elsewhere in politics. By their very nature, the urban political machines tended to turn inward, and national leaders could seldom find leverage in bargaining with a powerful city boss.¹⁹

The main focus here is the idea that urban political machines had a tendency to “turn inward” on themselves, by way of covering up corruption, and denying support to those who potentially jeopardize their public appearance. The efforts of national leaders to “leverage”

¹⁹ Wiebe, 218
Tammany was a major challenge until 20th century. The formation of national bureaucracies following the new reform acts and amendments, augmented power to the federal government to investigate local corruption as a way to disrupt the efficiency of the machine. Due to this lack of political involvement in the late 19th century that Wiebe describes, urban dwellers were willing to settle for the current political system that afforded the most organization and efficiency over one that is honest, functions democratically and was successful in reforming the state of public health care. Wiebe cites that “the fall of infant mortality from 273 per 1,000 in 1885 to a third of that by 1915 expressed in statistics was millions showed in outpourings of gratitude”\(^{20}\)

Wiebe argues that the values American politicians focused on were localized and therefore as a nation during this time, American values seem parochial. Wiebe argues that “like the society that produced them, the parties lacked a central nervous system. Neither Republicans nor Democrats had the dependable income or the broad range of favors that may have held a nationwide organization together”\(^{21}\). Wiebe’s argument here refers mostly to the 1870s-1880s, right before the time considered to be the Progressive Reform Movement, which was the 1890s through the early 1910s. A result of this provincialism that Wiebe describes, is that the executive branch did not have the power that it would in the twentieth century. State and local parties had more of an impact on a denser population than the President had on a national level. The reform amendments granted more power to the federal government; the 16th Amendment allows the U.S. Congress to impose a federal income tax and the 17th Amendment makes it so congressman must be popularly elected.

The addition of progressive constitutional amendments, under the Woodrow Wilson administration lead Congress to pass the Federal Reserve Act in 1913. To accompany the new acts, several bureaucratic agencies were established by Congress to actively enforce these new

\(^{20}\)Wiebe, 116  
\(^{21}\)Wiebe, 28
amendments. For example, the Federal Reserve Board, established in order to regulate currency and the Federal Trade Commission was to oversee trade among growing corporations\textsuperscript{22}. Together these organizations established a centralized American banking system that relied on credit based currency (ending the gold standard) in order to regulate the growing nationwide trade economy. This effectively empowered the federal government by allowing Congress to impose taxes upon the states to ensure that local representatives are legitimately elected by popular vote instead of being appointed or nominated by a single boss. The Progressive Reform Movement struggled with many limitations in upholding the reform amendments, especially during the 1920s. Ultimately the reformers achieved a model of efficiency which allowed the states to improve public health, which proved to be effective as well as centralizing the power of finance around a federal banking system\textsuperscript{23}. Wiebe argues that the expansion of the Federal Government was ultimately successful. His argument is that:

Unlike the officials during the late nineteenth century who had struck and retreated, their modern counterparts assumed continuity in their work. Agencies accumulated their files and procedures and precedents. At the time of the Red Scare, for example, the government could already draw upon a decade’s sum of arbitrary practices to cow immigrants, and the birth of the Federal Bureau of Investigation formally heralded a new era. In legislature specialized committees, often designed to mesh with an executive bureaucracy, had increasingly come the vital centers. In fact officials at all levels of government found it easier year by year to communicate with one another, just as they found it more and more necessary.\textsuperscript{24}

A significant part of this narrative is the formation of the Federal Bureau of Investigation in 1908 as an addition to the Department of Justice under the Theodore Roosevelt Administration, lead by his Attorney General Charles Bonaparte. Roosevelt was considered a progressive at the time because of his dedication to expertise and efficiency, as well as his conviction to push progressive policies using his executive power. Roosevelt’s goal for his presidency was to centralize and re-organize the federal law enforcement system using a third

\textsuperscript{22} Wiebe, 220

\textsuperscript{23} Wiebe, 220: Congress then passed the Federal Reserve Act, which made currency a function of commercial and industrial credit and provided a rough unity to national finance through twelve regional reserve banks and a Federal Reserve Board. Finally, after several months of uncertainty, the Democrats established a Federal Trade Commission to oversee corporations within the rather vague rules listed in a companion measure, the Clayton Act

\textsuperscript{24} Wiebe, 295
party bureau, meant to deter local corruption and crime on a national scale. Roosevelt’s new federal agency emphasized the efficiency and expertise of those appointed to investigate federal crimes. The new G-men were selected for their expertise by passing tests in marksmanship and civil service knowledge. The progressive architects of the FBI centralized operations in this hierarchy to facilitate efficiency25.

**The “Black Hand” Sicilian Mafia**

Across the Atlantic, another model of efficiency took shape. Sicily has a long history of foreign invasions and occupations from the Spanish, Portuguese, Turkish and several Arab countries. Mafia historian Mike Dash tells the early history of the Black Hand and their role in Sicilian life before their migration to America. Dash explains how Sicily “had been a vitally important crossroads for thousands of years, standing astride trade routes that ran north and south and east and west across the Mediterranean”. Sicily was contested over for centuries among different imperial powers; according to Dash “Greeks, Arabs, Normans, Holy Roman Emperors, the French, and the Aragonese had ruled over Sicily, and all of them had ruthlessly exploited its people”26. The “Black Hand” functioned as an organized underground government that protected native Sicilians from foreign powers in exchange for a protection tax27.

The Black Hand created its own order within local towns and cities throughout Sicily, most notably Corleone, Catania, and Palermo, as well as parts of Calabria in the southern mainland of Italy. Each region of Sicily was controlled by one or two powerful mafia families, lead by a “capo de tutti capo” (meaning boss of bosses) and his closest comrades and advisors with the honorable title of consigliere. Underneath the “Don” or the boss of bosses, there were

---

underbosses, each of whom were the head of their own gang, and ran protection rackets within their own territory. Under the underbosses were their numerous regime of soldiers and their most trusted associates; soldiers usually oversaw racket activity by making sure that the shopkeepers and private citizens they protected were paying their taxes in exchange for protection. Other soldiers and associates were given the role of “muscle” to fight any rival gangs threatening control over a given territory. Their job was also to carry out hits on fellow gang members accused of exposing confidential information. It was often their job to conduct “shakedowns” on racket owners that may have been holding back on their payments. This very strict hierarchical order originated in Sicily and made its way to America between 1880-192028.

Many Sicilians migrated to the United States to escape persecution from Italian fascists, who were intent on taking down the Black Hand and taming Sicily29. Many members of the Sicilian mafia moved to New York and began taking over territory in a similar fashion as was done in Sicily. Italian neighborhoods became subject to the power of Sicilian and Neapolitan gangs, which were controlled by either the Black Hand or the Brooklyn Navy Street Gang originally from Naples. The main difference between them was that the Black Hand was more centralized and the Navy Street Gang was more syndicated throughout different regions. Each Sicilian and Neapolitan province in Italy has its own mafia culture. The early years of the 20th century was when a majority of the members of Italian-American mafia groups settled in New York City’s Italian neighborhoods. The neighborhood most densely packed with Italian immigrants was mainly East Harlem and the Lower East Side. This was a point when the first generation of Sicilian and Neapolitan gangs maintained a direct ties with the bosses that remained in power in Italy. Certain mafia leaders move from Sicily to New York City and

28 Dash, 40
maintain their reputation as important underworld figures, as was the case for Salvatore Maranzano, during Prohibition\textsuperscript{30}.

\textit{Omerta: The Mafia’s Vow of Secrecy}

No man must ever, upon penalty of death, talk about the organization of the family of which he was a member, not even within his own home.

Every man must obey, without question, the orders of the leader above him. No man must ever strike another member, regardless of the provocation.

All grievances to that day, imagined or real, were to be forgiven and total amnesty granted.

Total harmony was to rule both the business and the personal relationships between the families and the members; no man could ever covet another’s business or another’s wife\textsuperscript{31}.

These four rules were put forth by Castellammare crime boss Salvatore Maranzano, when he claimed the title of “capo-de-tutti capo” in April of 1931. These rules epitomize the vow of secrecy repeated by all members of the Italian mafia; it is recited during a ritual known as \textit{omerta}. Secrecy was the primary imperative for the survival of the mafia and their models of efficiency. Any individual who threatened this secrecy was had to accept the punishment of death. Often times this punishment was given when there was merely a suspicion that a member was discussing family matters to an outsider or any government authorities. This vow of secrecy is at the heart of any and all information that is related to the activities of the Italian mafia, and therefore, none of the accessible information about this topic can be considered the definitive truth on the matter. This is especially true because a lot of the information available on this topic comes from primary newspaper articles of the time, and primary accounts given by those who claimed membership in \textit{La Cosa Nostra} (“this thing of ours”; the preferred title for the “Five Families” of New York and the nationwide “Commission”). We must consider this vow of

\textsuperscript{30} Critchley, 115

secrecy when reviewing biographical information related to (suspected) members of the Black Hand and Camorra groups.

This vow of secrecy creates an obstacle for historiography. Primary accounts by mafia members are inherently questionable for several reasons. These inside individuals are aware that possess special knowledge about the mafia, but have vowed to withhold the truth about the organization, even under oath in a court of law and under the penalty of death at the hands of their underworld peers. Two sources being looked at are Charlie “Lucky” Luciano’s biography based on an interview he held with authors Martin Gosch and Richard Hammer, titled *The Last Testament of Lucky Luciano*\(^\text{32}\), and the sworn testimony of Joe Valachi in *The Valachi Papers*.

Luciano and Valachi give very different accounts of what went on in the mafia both during and after prohibition. They each offer two very different perspectives on life inside the mafia: Valachi’s career was mostly spent as a low level hitman for the Luciano/Genovese family, having previously worked for Tommy Lucchese and Maranzano before him. Valachi was a member of a Harlem based Genovese crew lead by Anthony Strollo. Valachi became a federal informant in 1963 after he was arrested for drug trafficking, and he served a long-term prison sentence with many of his fellow mafia associates. Valachi never made it to a rank higher than a soldier, unlike Luciano, who spent some of his criminal career as an “underboss” to Joe “the Boss” Masseria and for a short time was loyal to Salvatore Maranzano, a powerful boss from Castellammare, Sicily\(^\text{33}\). With the help of his childhood comrades such as Meyer Lansky, Bugsy Siegel, Frank Costello and Joe Adonis, Luciano had Marazano killed in order to take executive control over the Sicilian branch of the organization, putting himself and his peers in the position to establish “the Commission” in 1931.

\(^{32}\) Luciano gives his account to Hammer and Gosch in 1962, while in exile from the United States in Sicily.  
\(^{33}\) Valachi gave an account of his years in La Cosa Nostra while in prison, under witness protection in 1963: Valachi’s stories were recorded by author and journalist Peter Maas.
In the case of Valachi, we get more of an idea of how the mafia worked from the bottom-up; Luciano’s story gives us an idea of how the mob worked from the top-down. They both discuss mostly the same time period, and in some cases reflect on their supposed knowledge of the exact same events. Can we trust the veracity of the testimonies given by these two individuals, knowing that they have made this sworn vow of secrecy, to never share details involving the organization that we claim they are a part of? Is their insight into the underworld an honest account of significant events in the history of their organization? Or is it possible that we as readers and consumers of this criminal cultural, are being purposefully mislead by the stories that these powerful criminal figures choose to tell? When asking these kinds of questions and doing this kind of historiography, it is necessary to critically analyze any discrepancies in the details of each account.

**Secrecy, Surveillance and National Security**

Similar to the way that every member of the mafia has a sworn obligation to maintain secrecy outside of their families, by the code of *omerta*, it is the obligation for federal law enforcement agents to enforce federal laws using (sometimes questionably) legal means. The relationship between the FBI/Secret Service and the mafia during Prohibition, is often thought to be like a game of cat and mouse. In fact, I will show how that would only be true if perhaps the cat (the FBI) was blind in one eye and missing a leg. The reason I say this is because the mob almost always had an advantage over some of the most vigilant federal prosecutors. This was often the case because the mafia was able to use both legal and illegal means to avoid any prosecution that would affect the state of the organization.

Federal prosecutors are restrained by a burden of proof, which is necessary in order to accomplish a conviction based on substantial evidence, acquired using legal means. In the eyes
of the FBI, the organization of the Italian mafia is the epitome of a dangerous, non-government actor, whose influence on the streets challenges the state’s authority. In the eyes of a pedestrian, Italian immigrant, living in an Italian neighborhood in New York City, perhaps a business owner, the mafia is likely to be more feared than the power of the state. The leverage that the mafia has, which the state does not, is immediate fear. Such a person is forced to interact with members the mafia very regularly, knowing what could happen to their business if they refuse to cooperate by paying a tax to the Black Hand or Camorra in power. Any witness to a crime committed by a mafia members, or somehow implicating a mafia organization, was likely to refuse to testify against those assailants in court. The Times reports:

Most of the day was given over to the selection of a jury, but notwithstanding the threats of the Presiding Judge to apply the severest fines against citizens offering pretexts for not serving on the jury, almost insurmountable difficulties arose at the last moment, and the trial was postponed until Tuesday”\(^54\).

Civilians had to choose between risking their safety by taking part in this judicial process or refusing to do so and accepting a hefty fine from the government. In this way, the code of omerta was extended beyond the organization and imposed upon the civilians living in Italian neighborhoods, where the mafia was seen as having more power than the government. The amount of secrecy within the entire community created an informational barrier for federal government agencies. This was especially true in the earlier period of the Italian-American mafia, but remains to the case even today.

More recently, Vincent Asaro, an accused member of the Lucchese crime family, was found not guilty in a federal case involving the Lufthansa Scandal. A diamond theft which he and his mafia associates successfully executed in 1978, in which $5,000,000 in cash, and $875,000 in jewelry was stolen from JFK Airport. The defendant was found not guilty, despite federal prosecutors building a case which included testimonies from high-ranking members of

the mafia. The investigation into his mafia organized robbery was unable to yield any effective results until recently due to the vow of secrecy taken by those involved, and the risk of losing their lives. Since its founding, the FBI has used negotiation, witness protection and effective interrogation tactics to break the code which the mafia depends on for efficiency.

In an article by Daniel Ellsbury, titled "Secrecy and National Security Whistleblowing", he discusses the duty of Federal prosecutors to abide by the laws in the Constitution and how these standards create a practical challenge when making a case for a federal conviction. Ellsbury compares the federal agent’s obligation to legitimate legal practice, to the mobster’s obligation to omerta, by explaining how it is Nag these very standards of operation and codes of conduct came to exist. Each of these organizations depend greatly on strict these strict codes. Without these binding standards, the organizational system as a whole could not function. If one member of the FBI chooses not to use legitimate and legal means to acquire evidence against an suspect, then it brings to question the actions of entire bureau. Intense scrutiny of these organizations potentially damages its credibility. Ellsbury explains how these individual agents are controlled by a vow of secrecy which they swore to uphold when being made aware of classified information:

The federal employee is also a citizen, moreover, a public servant, who has sworn an oath to support the Constitution. That might seem to create a special feeling of obligation to tell the truth, even secret truth, when one learns - by virtue of the very access to secrets that one's promise has permitted - that domestic or international laws are secretly being broken, or Congress and the public are being deceived on matters of war and peace, or rights guaranteed by the Constitution are being violated in secret. Why does the demand and offer of secrecy seem almost universally to override such considerations?

36 Following years of extensive efforts and many failed attempts, the Federal Bureau of Investigations was able to infiltrate the mafia in order to legally collect enough evidence from wire-taps and cooperating witnesses with knowledge of the scandal, that they were able to build a case which lead to a small handful of prosecutions. However, many of the important witnesses ended up dead and many refused to cooperate, and took the fall for their superiors.
What Ellsbury is asking here is what it means for a federal employee to be a “public servant”, and whether that entails telling the truth or maintaining the secrecy of sensitive information. He argues that, “there are psychosocial aspects of promises made under these circumstances - bearing on self-image and self-respect, as well as status and acceptance in the larger society - that especially inhibit violating these particular promises.” In thinking about the circumstances that creates such “psychosocial” conditions, which lead him to ask questions of how this affects an individual’s “self-image and self-respect,” Ellsbury makes a comparison between how these conditions are given to a federal employee and those who swore a similar oath to become member of a mafia group. Ellsbury argues that these conditions have a lot in common and are necessary to uphold the dignity of the individual as well as the organization as a whole, because of a promise:

When one has promised secrecy as a condition not just of routine employment but of membership in a prestigious group or organization, or an "elite" subgroup, violating that pledge is not like breaking an ordinary contract or agreement between two equal individuals or strangers. The opportunity to make such a promise is offered, and felt and accepted, as an honor: something to be proud of, a basis for respect among those who know of it (who are respected by oneself). 38

Ellsbury’s argument is important to consider when thinking about the sources of information given about the individuals that this paper will discuss. Most of the information about said people, is currently or was at one point, completely confidential whether it came from a federal investigation, or within a secret organization. Ellsbury also brings into question the imperative for members of a secret society to lie about the many matters that we hope they have credible knowledge about. Whether or not their stories are true, all we really know is that they know something that we don’t. There is no completely accurate way to confirm, or deny, the stories these men are telling, because they are the highest authority when it comes to primary accounts of this organization’s operations and events. Any amount of information could be misgiven, or left out of their stories completely.

38 Ellsbury, 778
Ellsbury explains that, when the pledge of secrecy is broken, the long-term consequences are severe. These consequences tended to have a lasting impact on the individual responsible for breaking their pledge; “general denial of credit, or in this case to a denial of any other jobs or career that require reliable secrecy.” Said individual no longer has credibility within any sort of intelligence community, because taking the pledge means that this person has given their life to something much bigger than themselves, and therefore carry the integrity of their organization wherever they go and for as long as they live. Ellsbury describes how the vow of secrecy functions to the benefit of the mafia:

For the Mafiosi ‘men of honor’ (interestingly, the title of William Colby's memoir of his life in the CIA is Honorable Men), the agreement to keep secrets is so central that the oath of membership includes the explicit acceptance of ultimate sanctions - death or worse, including "burning in hell," for oneself and even one's family - if the obligation of silence to outsiders, omerta, is broken. Thus is expressed loyalty to the organization that goes above loyalty to one's own life and even to the lives of one's family members.

This is something that will be shown in certain mafia-related case studies, where a member of a gang was killed by his comrades for violating omerta, either by becoming an informant or conspiring with a rival gang. The violence that tended to follow in such cases was a mechanism for mafia leaders to secure their individual power, and to ensure that their illegal operations functioned efficiently, without any potential weakness or leaking of vital information. Through these case studies I will show how violent efforts to enforce omerta, left a trail of bodies that was impossible to ignore, both for the public, and the media. Such mounting violence was a measure of inefficiency within an organization that depended on secret operations. In order to maintain efficiency regarding omerta, the mafia would have to link itself with the model of efficiency used by the leaders of Tammany political machine. The following chapters will show the ways in which the mafia managed to create a direct link between organized crime and municipal machine politics. Luciano’s description of how he changed the organization of the mafia, by colluding with city officials, perhaps gives a primary insight into how the mafia’s model of

---

39 Ellsby, 779
efficiency, created a basis for them to thrive, while mostly unaffected by Federal law enforcement during Prohibition. Luciano is famous for Americanizing the Italian mafia by re-organizing it in the style of a big business as a way to fit within the American framework for economic, social, and political efficiency during a pivotal and volatile era in American history. Chapters two and five will show in more detail how Luciano’s role in the Castellammarese War (1929-1931) changed the hierarchal “capo de tutti capo” organization, while Luciano was a highly ranked member of the mafia under the old order of “Mustache Pete” mobsters Maranzano and Masseria.

**National Transparency and an Order of Efficiency**

Wiebe describes how the results of the Progressive Reform amendments were supported by lobbying groups such as the National Municipal league, which “promised that the application of a few elementary rules would enable ‘good citizens’ to elect honest men and pass ‘good laws’”\(^{40}\). The political ideology of the National Municipal League can be described as a moralist view on how local politics should function; “by 1915 the League concluded that an even more detailed program for expert government could not ‘in and of itself produce good results’”. Wiebe describes a shift within the goals of the Progressive Reform Movement, centered around the tensions between urban progressives, urban reformers and then there were rural reformers: Wiebe argues that “by degrees the philosophy of urban political reform had moved from simple moral principles guaranteed by the proper forms of to complex procedural principles advanced by the proper administration of government”\(^{41}\).

---

\(^{40}\) Wiebe, 149

\(^{41}\) Wiebe, 149
What Wiebe is pointing out here is that there was a change in what progressives thought of as the means to a moral end; first it was the idea of morality that mattered. In this later period, the progressives thought more about a practical rather than ideological ways to construct a new American political system. Their principles became more so about order and efficiency than democracy and honest diplomacy. The intentions of the Progressive Reform Movement began as a movement to stabilize the political economy in favor of the working class. The movement’s earlier model of efficiency was to improve the political system by providing federal and state funded aid to, which proved successful. Despite its early success, by the time Congress ratified the 18th Amendment, the most funded federal agency became the FBI, for the sake of enforcing the Volstead Act. According to Wiebe: “They [the reformer] had carried an approach rather than a solution to their labors, and in the end they constructed just an approach to reform, mistaking it for a finished product”42.

Chapters three and four will show how Wiebe’s description of practical shortcomings in the reform movements had an “approach rather than solution”. The later approach taken by the Progressive Reform Movement was much different from the earlier solutions acted on by the progressive who supported Theodore Roosevelt’s administration which successfully improved public health. The result of this was the centralization of economic power within the federal government in Washington and a more aggressive relationship between local officials and federal agencies or congressional committees.

---

42 Wiebe, 223
Chapter 2: The Rise of New York City’s “Black Hand”

A historical account of the first Sicilian-American crime family and their earliest encounters with federal law enforcement.

The purpose of this chapter is to critically analyze and compare the state of affairs between Tammany Hall and organized crime in the years following the ratification of the 16th and 17th Amendments. The period leading up to the ratification of the 18th amendment, is when most of this analysis will be focusing. This chapter will discuss an important shift in political thought and climate as a reaction Prohibition.

On the topic of organized crime, the period from 1900-1913 marks a significant rise in the underworld influence of Italian mobsters in New York City. These immigrants either moved to New York at a young age, working their way up in the ranks or came to America as an established gangster. In the former case, certain individuals managed to establish a branch of either the “Black Hand” mafia with roots in Sicily, or a group related to the Camorra tradition, with roots in Naples. This chapter will begin by looking at the history of the Morello Crime Family, one of the earliest Sicilian crime families, whose influence remained significant throughout the entirety of Prohibition. The Morellos later branched out into many decentralized mafia factions, whose leaders fought for the superior rank of capo de tutti capo. After discussing the Morello gang, Morello’s main competitor, the Enrico Alfano, leader of the Navy Street gang will also be looked at regarding his involvement in political corruption. Alfano’s leadership was heavily contested by his peers within the Navy Street gang and caused internal conflict, making room for many inefficiencies. This was at a time when centralization was becoming the way for organizations to maximize their productivity and efficiency; even a decentralized mafia was decidedly inefficient.
The time period between 1900-1913 is significant for the relationship between the political machine and organized crime. One reason is that the Italian-American mafia had only been established in American history during the 1880s and 1890s, whereas Tammany already had long history of Irish immigrants who exercised control over the political system, leading up to the arrival of their southern Italian counterparts. The mafia’s involvement with politics became a topical issue which was addressed by the growing movement to uproot corruption and end cycle perpetuated by the political machine. In this time period, Tammany’s image suffered at the hands of the Progressive Reformers. The battle between Tammany and the reformers was a war about opposing models of efficiency. In many cases a politician might lose their support from Tammany if charged of corruption were brought against them by the state or federal government. Case studies from the first decade of the 1900s will show how federal law enforcement struggled to organize efficiently enough to fight improve the degree of corruption in Tammany. This is partially because the federal government at the time lacked the organizational means to compete with the oiled political machine in New York City, which was forcibly backed by organized crime of all sorts.

**The Morello Crime Family**

The first prominent Sicilian mafia family to migrate to America was the Morello family. Giuseppe Morello was the first leader of the Black Hand mafia in New York City. Morello migrated to New York in 1892 and by 1899 he ran a successful counterfeiting operation. In 1903 he began the Morello family gang, which operated out of several racket headquarters in East Harlem, and quickly expanded its reach to include the Lower East Side. Around 1898, Morello moved into a small apartment on East 107th Street, which he turned into the headquarters for his
counterfeiting operation. A special room in the apartment held the printing press where he would print fake five dollar bills that would be distributed by his closest allies and associates. Morello came out of the old order of the Sicilian Black Hand, which in many ways meant he kept his associations within his own bloodline or among familiar fellow Sicilians as a way to ensure loyalty among his gang members. However, when it came to his counterfeiting operation, which was his first illegal venture in America, he had no choice but to assemble a group of non-Sicilians who knew the neighborhood and were willing to help him. Morello brought together an odd group of East Harlem crooks to help run his operation, some Sicilian, others from different parts of Italy, and some were Irish. Along with his family, who will be more intimately introduced a later, Morello conjured up a group of small-time crooks who had experience with printing and distributing counterfeit bills. One of them was a young Sicilian man from New Jersey named Calogero Maggiore, who appealed to Morello because of his native origin and his lack of a criminal record. The other members included: Vito Cascioferro; an infamous Black Hand boss from Bisacquino base, Sicily, who came to join the Morello faction; Joseph De Priema, Pietro Inzerillo, Vito LaDuca and Giovanni Zarcone. Inzerillo owned a pastry shop at 226 Elizabeth Street and Zarconi owned a butcher’s shop across the street at 16 Stanton Street. These were two strongholds for the Morellos in the Lower East Side. Laduca, migrated from Palermo Sicily in 1902, after serving a five year prison sentence, and soon after his arrival became one of Morello’s top ranked men. Laduca was a consigliere and lieutenant in the early years of the Morello crime family, and was responsible for distributing the majority of Morello’s fake bills. The New York press referred to him as the “dread bulwark of the Black Hand”.

---

43 Dash, 118
44 Critchley, 43
45 Dash, 36
Giuseppe was step-brother to the three Terranova brothers; his mother Angela Piazza re-married to Bernardo Terranova in Italy before the family moved to New York. In 1903, Morello’s three step brothers Vincenzo, Ciro and Nicola Terranova, were too young to take part in Giuseppe’s illegal operations; Vincenzo 17, Ciro 14 and Nicola 13. Ciro began working as a waiter in Giuseppe’s spaghetti restaurant. Vincenzo and Ciro would become central to the Morello crime family in the later years of the 1910s and powerful members of the Sicilian-American mafia during Prohibition; Nicolo was murdered in 1916 during the Mafia-Camorra at the age of 26.

The Irish faction of Morello’s group were lead by a man known as “the Commodore” who was a wealthy seafood distributor from Brooklyn and a streetwise queer-pusher named Henry “Dude” Thompson, who contributed the hands of his eight or so members of his crew to Morello’s operation. Dash explains how the Italian members of Morello’s early organization were informed about the details relating to where and how the fake bills were being printed, but the Irish faction was not brought into this closer Sicilian circle; this resembles the mistrust that the Sicilians had toward foreign groups that they were nonetheless willing to do business with. Morello’s first counterfeiting operation was successful until May 31st, 1900, when three of the members of Thompson’s gang were caught exchanging forged notes in North Beach, Queens along the East river. The four men were, Jack Gleason, Charles Brown, Edward Kelly and John Duffy were caught using Morello’s notes in a clothing store and several restaurants, when the owners called the police and the men were brought to the 17th precinct. The investigation into Morello’s counterfeiting operation was lead by Secret Service agents Joseph Petrosino, William Flynn and William J. Hazen, who just briefly investigated the disappearance of Molly Callahan in 1898, a maid who worked for Morello in the 107th Street apartment where the printing press

---

46 Dash, 116
was held. Callahan went missing after Morello learned that she knew about the illegal operation; she found the printing plates in the room where Morello had told her never to enter. When brought in for questioning, Callahan’s lover, Jack Gleason mentioned several Sicilian members of the Morello gang, including Calogero Maggiore. With this direct link to Maggiore, Hazen and his men arrested the young man under counterfeit charges and he was sentenced to six years in Sing Sing prison. After this incident the ties between Thompson’s Irish faction and Morello’s closer Sicilian group were severed, and Morello, free of all associations with the counterfeiting operation, moved into more lucrative illegal operations.

Although Morello’s small-time counterfeiting operation was brought down by the New York Secret Service, due to a lack of evidence connecting him to it, the charges were dropped. Morello himself didn’t take the wrap for counterfeiting, but his compatriots did. Such evasiveness was consistent in Morello’s early criminal career in terms of escaping the Italian and the American government, since he was a known criminal who was skilled at distancing himself from his own illegal operation, while he still profited from it immensely. Morello’s secret and evasive model of efficiency was effective until 1909, when he was finally found guilty of counterfeiting and murder. Morello spent the years between 1909-1920 in Sing Sing prison, and the world was a much different place when he got out. Prohibition had begun, and his Sicilian comrades as well as his underworld rivals had already started their business venture into the illegal liquor trade, and soon became a new kind threat to Tammany’s political foundation.

This successful sting in 1909 revealed inefficiencies on both sides of the law. The Morello organization learned a lesson about how vitally important it is for each of their members to abide by omerta, or else it would give law enforcement an advantage over them. The Secret Service learned a lesson about their current model of efficiency. With the loss of Petrosino, the

---

47 Dash, 119
48 Dash, 116-125.
Secret Service became aware of how dangerous the Black Hand really is. Having gone through several people to get to Morello showed the Secret Service and law enforcement community, how effective secrecy was for the leader of the Black Hand. The outcome of this infamy was Morello becomes mystified in the newspaper and then spoken about in a certain way by the public. When the New York Times embellishes a mobster’s infamy it brings unwanted attention to Morello’s secret operations and organization.

Similarly in the case of, Ignazio “the Wolf” Lupo who was the Morello crime family underboss and Morello’s top hitman. “The Wolf”, Ignazio Lupo is often described as extremely intelligent; business savvy, sharp and extremely dangerous. Secret Service Agent William Flynn described Lupo as “the businessman of the two. Lupo was always suggesting new ways for the investing of the money”. Flynn says, “Morello had in his make-up more cunning of the born criminal. He was cautious like the fox and ferocious like a maddened bull”. Together they built a crime family that became successful in a vast range of illegal operations. Lupo is one of the most notorious hitmen in mafia history, known for carrying out 60 hits from 1901 to 1909. In 1902 Lupo got married to Salvatrice Terranova at St. Lucia’s church on East 104th Street. This marriage bonded Lupo to the Terranova family and their loyalty to each other proved to be very strong throughout the ups and downs in the early family’s criminal career. By 1903 Lupo had successfully opened a grocery chain that was growing much faster than his competitors, with chains popping up in Italian Harlem, Little Italy and Brooklyn. While running his grocery store chain he was also involved in loan sharking, illegal gambling, horse thievery and most of all extortion.

Two of the most famous mafia hits involving Lupo and other members of the Morello gang in the early 1900s were the murder of Giuseppe Catania in June of 1902 and the murder of

---

49 Critchley, 46
50 Critchley, 43.
Benedetto Madonia, in March of 1903. There is very few confirmed details regarding Catania’s murder, on the other hand, Madonia’s murder received extensive coverage by the New York Times, giving his execution the title, the “Barrel Murder Mystery”. According to Dash and an article published by the Times, Madonia’s murder took place at Morello’s “Spaghetti Restaurant” located at 8 Prince Street. These hits occurred for very different reasons; Catania was murdered because he spoke out of hand to Morello while he was drunk, this is thought to be a hit motivated by passion. The Madonia murder occurred because Madonia had threatened to expose the Morello gang. The New York Times reports on the discovery of his corpse in the early morning hours of April 21st, 1903. The headline reads, “‘Barrel’ Murder plot known, Benedetto Madonia of Buffalo Killed for Threatening Band, Not a Counterfeiter”. This article reads,

Madonia, it appears, was not a member of the band. His brother-in-law however was. And it was through efforts to aid his relative that Madonia incurred the enmity of the other members. This brother-in-law’s name is Giuseppe de Priemo. He is serving a sentence of three years in Sing Sing prison for counterfeiting. When he was convicted about three months ago, he was possessed of considerable property and money, about $25,000 in all. Before going to prison he turned his wealth over to his old comrades in crime. It was to be used by them to aid him and other of their band in the clutches of the law. As soon as they got this money, and de Priemo was behind bars, it appears that the members of the band divided the money among themselves and abandoned the prisoner to his fate. Madonia attempted to recover the amount or some of it, for use in bringing about de Priemo’s removal from Sing Sing to Erie County Prison near Buffalo, and for the family of the prisoner.51

The story of Madonia’s murder was a tragedy, and a strong example of how ruthless the Black Hand organization can be, both for those involved as well as their loved ones and often pedestrians who are caught in a crossfire. Dash opens up his extensive historical discourse, on the Morello Crime Family (The First Family; Terror, Extortion, Revenge Murder and the Birth of the American Mafia), by discussing the significance of “Barrel” Murder mystery. Madonia was from Buffalo, where organized crime only existed to a small degree, but hadn’t yet grown to become what it was in New York City, which compared to what it would become in the 1920s, was relatively small still. Dash makes it clear that Madonia didn’t know what he was getting himself into when he made the fatal mistake of threatening to expose Giuseppe Morello

and by asking for his brother-in-law’s legal funds, it can be said that he underestimated the Morello crime family. According to Dash, the shots that killed Madonia were fired by Tommaso Petto, but several members were convicted in April of 1903 including Petto, Vito LaDuca, Pietro Inzerillo, Giuseppe Lalamia, Zarcone, Lorenzo, Vito Lobido, Lupo himself, Morello, Nicolo Testa and Domenico Pecoraro. All except Petto were released once none of them were willing to share any information on the murder. Petto was kept in Sing Sing until he was released on January 4th, 1904. According to the New York Times, it was due to a lack of substantial evidence. The only hope for Chief Flynn’s men, Inspectors McClusky and Schmittberg was to get a witness testimony identifying Petto, or a character witness who is willing to point out Petto as a hand of Giuseppe Morello. This was near impossible; according to the Times, “thirteen prisoners were taken in all, Petto among them. An effort was made to get one of them to turn State’s evidence against Petto, but the man approached declared that his life would be taken in case he furnished the police with information on the subject”. The thirteen men brought into question by the New York Secret Service were abiding by vow of omerta, which deterred them from speaking to authorities regarding any mafia-related cases. The threat of death under the command of their capo, and the potential risk to their organization was not worth whatever prison sentence they were to be given. As previously discussed, it was usually the of the lack of material witnesses that allowed Morello to go free.

Between 1908 and 1909, the Morellos restarted their counterfeiting operation while continuing to expand the Lupo grocery chain, in addition to other family owned rackets, such as saloons, butcher shops, candy stores, restaurants and gambling rings. Morello’s Spaghetti Restaurant on Prince Street was right across the street from the pastry shop owned by Pietro Inzerillo and down the block from a butcher shop runned by Giovanni Zarcone. This observation

---

52 Critchley, 43
would lead to the assumption that the five block radius in which these racket headquarters were located belonged to the Morellos; any competitors within a proximity of this territory must have been an affiliate of the Morello family, or else they were subject to whatever strongarm extortion Morello’s enforcements were capable of.

Ciro Terranova, the second born Terranova brother, was known as “the Artichoke King” for making his fortune buying artichokes from California, for $6.00 a crate and selling them at a 30-40% increased return rate. Ciro’s artichoke racket is a good example of how the Black Hand didn’t only rely on illegal enterprises to maintain their fortunes; it was up to the individual as to what market to get involved with. Throughout the history of organized crime, notorious mobsters have tended to be involved in bountiful business ventures both legal and illegal. In most cases, the legal business ventures that members of the mafia involved themselves in, were cover-up operations for illegal dealings, using legal businesses as a way to launder money.

*Joseph Petrosino and The “Italian” Squad*

Although these two murders did not lead federal prosecutors to any lasting convictions, they had a lasting impact on the way organized crime became viewed by the public; it lead to the formation of the “Italian squad” of the New York Secret Service Division, was now given a trail to follow. The investigation into the “Barrel Murder Mystery” was lead by a group called the “Italian squad” was lead by Detective Lieutenant Giuseppe “Joseph” Petrosino as well as Secret Service Agent William Flynn, Inspector McClusky, Detective Sergeant Arthur Cary of the New York Police Department, Operative John Henry and their inside informing Agent from

---

54 Dash, xxvi
1906-1910 was Peter Rubano. This group of dedicated investigators worked endlessly to follow the Morello trail; Morello and his comrades were experts at covering his tracks, and it would take six years until the “Italian Squad” would succeed in any way. On December 20th 1906, the New York Times published a headline that read, “A Secret Service Squad to Hunt Black Hand”. The beginning of the article reads: “the italians who, working singly or in bands, have been extorting money from their compatriots by using the fearsome phrase or symbol of the ‘Black Hand’ are to be pursued in a new way”. This article is reporting on something very significant, which is the first instance where the federal government began to take action to fight organized crime of Italian origin.

What we know about Joseph Petrosino’s career, his role in the “Italian Squad” and his the little information we have about his death, is very significant for understanding the federal government’s approach to Italian organized crime in the first two decades of the 20th century, before the onset of Prohibition. Petrosino was a dedicated member of the New York State Secret Service, which was a federal agency working within the New York Police Department, to gather information in order to take down the mafia organization and prevent potential threats to national security. Petrosino himself was Sicilian, and resented the many ways in which the mafia exploited Italian communities. In this early game of cat and mouse, Petrosino would be considered the most able-bodied of the cats, and Morello would be the quickest and most evasive mouse.

In 1903, Petrosino was responsible for investigating the groups of Morello’s associates, suspected of being involved in the “Barrel Murder Mystery”, including Vito Cascio Ferro, who was acquitted and afterward moved back to Sicily, where he rose to become a top ranking member of the Black Hand in Sicily. Ten days after publishing the article about the creation of

the “Italian Squad” in December of 1906, the New York Times published an article profiling Petrosino as the leader of this anti-mafia police team. The article describes how Petrosino perceives his duty to Sicilians and especially the members of the Black Hand. The headline for this article and sub-heading for this article reads: “Petrosini, Detective and Sociologist: Leader of New York’s Fight Against the Black Hand Believes Italian Criminals Need Only to Be Taught What Liberty Means”. This headline painted Petrosino as an idealist because of his philosophical approach to this “problem” created by criminal actors such as Morello. The failure to prosecute Morello for the “Barrel Murder Mystery” in 1903 was a lesson for Petrosino, on how the mafia conducts its business outside of the law, making it a weakness for him as an investigator who was limited to using strictly legal means to yield a conviction. Dash comments on how Morello was aware of Petrosino’s weakness by saying: “Morello was too stubborn and too well aware of the weaknesses of the police case to break as easily as that, and Fanaro and Inzerillo were both too frightened of their leader to risk turning against him”56.

In 1909, Petrosino made the fatal mistake of traveling to Sicily on a secret mission to try and cut off the Morello’s connection to the Black Hand gang in Sicily, lead by Cascio Ferro. Petrosino did not make it back from Sicily alive, and it was suspected in the media that the Morello gang had something to do with his demise. It was not until as recently as June 2014, that the Sicilian police found out the truth about Petrosino’s murder. The New York Post reported on June 23rd, 2014, “Italian police solve 105-year-old NYPD mob detective’s murder”. Petrosino’s case was solved 105 years after it occurred. The article reports,

Domenico Palazzoto, a descendant of a mob boss of the Sicilian Cosa Nostra, Vito Cascio Ferro, is facing charges with his fellow mafiosos including extortion and association in a criminal network. Police recordings caught one of the men arrested bragging that his relative was responsible for killing a top cop boasting, 'My father’s uncle, whose name was Paolo Palazzotto, was responsible for the first policeman killed in Palermo. He murdered the first police officer to be killed in Palermo. He killed Joe Petrosino.”57

56 Dash, 151
This shows how prevalent the mafia tradition is in Sicily, and how instances such as the Petrosino murder, directly connect the Sicilian Black Hand to the Italian-American mafia, both today and in the 1910s. The fact that this case was solved 105 years later, shows how Petrosino’s murder was seen as an accomplishment worth mentioning in the history of mafia in Sicily. Petrosino’s murder is seen as significant because he was the first NYPD officer to get deeply involved with investigating the mafia, to the point of almost cracking their secret code, and the first to suffer the consequences of acquiring dangerous knowledge about the organization. A confession from a distant relative was seen as substantial enough to bring about a conviction in a case that should have already been closed. Although the New York Times, named many different the suspects potentially involved in the murder of Petrosino. The New York Times published four articles all mentioning Petrosino’s murder and the mysterious Black Hand and potentially Camorra group involved in this case. According to the case ,ade it is now confirmed in the media, unlike many other murders that occurred around this time58.

The Neapolitan Camorra Tradition

The Camorra is another known faction of the Italian mafia that was brought to America a few years before the later wave of Sicilian immigrants began arriving in large numbers. The Camorra is similar in its practice to the Black Hand, especially when members of Camorra gangs move to America, however its history and structure are much different in that it isn’t traditionally centralized around a “capo de tutti capo”. As of 1911 Naples was divided in 14 Camorrista districts, with 24 leaders, each controlling 48 members, and constantly fighting over territorial control over the city59. Camorra groups were mostly powerful in Brooklyn, notably the

59 Critchley, 107
Navy Street gang, which was one of the most powerful Neapolitan gangs in New York City. Factions of the Navy Street gang later moved in large numbers to the Lower East Side and then to East Harlem. The Navy Street gang wasn’t centralized and their power and territory was divided among five different bosses. Pellegrino Morano, Andrea Ricci, Leopoldo Lauritano, Alessandro Vollero and Anthony Paretti. Lauritano and Vollero had a strong alliance and shared many of their rackets, including Vollero’s Cafe, which was their headquarters located at 133 Navy Street. Morano’s faction of the Navy Street gang made the most of its profits from illegal numbers gambling, prostitution and protection rackets in Brooklyn from Coney Island, where Morano’s headquarters was, to Williamsburg and some of his rackets were in the Lower East Side.

The New York Times published several from the ancient central Italian city of Viterbo. These articles are a series of investigative reports covering the rise of Camorra gangs over the Neapolitan political system. According to the Times which reported on March 31, 1911, that “Camorra Informer Describes Society”, in which the article reveals certain details about the power structure that divides the Camorra among several Neapolitan regions: “Naples is divided into twelve Cammorrist regions, each having its Cammorrista Hierarchy”\footnote{Critchley cites that there were fourteen Cammorrist regions, but there were twelve according to this article.}. Another article from that same day reported on the trial of Enrico Alfano in Viterbo. Alfano was a powerful New York Camorra boss was suspected of murdering Glennaro Cuocolo a former Neapolitan boss. Interestingly, this article makes a connection between Alfano and the murder of Petrosino: The article reports,

Shortly after arriving in New York, he said he was visited by a man who spoke Italian with an American accent. This man asked him: ‘Are you Enrico Tramontano?’ Erricone said he replied that his name was Enrico Alcano. Another man, whom the witness said afterward learned was Lieut. Petrosino. Identified him through a photograph which the American detective had. Petrosino asked him to go to Police Headquarters, where he was told that owing to his bad record he could not remain in the United States\footnote{“Alfano Holds Stage at Viterbo Assizes; Eloquence of Reputed Head of Camorra Surprises Those at Camorra Trial” New York Times Archive, March 31, 1911. Accessed April 30, 2016.}.

\footnote{“Camorra Informer Describes Society” New York Times Archive, March 31, 1911. Access April 30, 2016}
According to this article, Alfano had been living in New York under the alias of “Erricone”. A fake identity was not enough to fool Petrosino who was able to match his suspect’s photo to the man identified as Erricone, a more infamously as Enrico Alfano. The same article describes Alfano as “36 years of age, a brownish man, below medium height but of commanding presence-- a man who exhausts the eloquence of pose and silence before resorting to words”. It is somewhat unclear from these articles, some of which reported that Petrosino was primarily focused on investigating the Black Hand and these which report on his trail following the Camorra. It is clear that Petrosino was a threat the two underworld subgroups alike. It is likely that Petrosino was murder by either one or the other of these two dangerous Italian mafia groups. Critchley points out what was reported one of the Times articles, which is that “Petrosino had carried a list of 300 Italian criminals in America. All had been convicted in Italy, but had broken their terms of parole by leaving the country. Petrosino was arranging their return to Italy for violation of parole for entering American territory illegally”.

The Mafia-Camorra War

The Mafia-Camorra War took place from 1915-1917, and began with Gallucci’s murder. Gallucci was commonly referred to as the “King of Little Italy” because at the time he controlled all of the gambling rackets in East Harlem as well as a monopoly on ice rackets during the summer and coal rackets during the winter; this is how he made a large bulk of his fortune. Gallucci was also major money loaner and ran a protection racket for local businesses, whose owners would pay him a regular tax. The neighborhood both loved and feared Gallucci because he supported the well-being of the neighborhood by supplying necessary resources, such as ice and coal. At the same time, Gallucci often used his power to extort his immigrant subjects.

---

62 Critchley, 65
63 Dash, 311
Gallucci also had a lot of influence in Tammany Hall, because he was able to rally Italian immigrants to vote for a given candidate, making him an asset to the political machine. According to Dash, Gallucci’s leadership and connections to Tammany was something that both the Morellos and the Moranos lacked. Dash describes the unavoidable tensions between Gallucci and the Morellos, and how Italian organized crime changed after 1915, the year Gallucci was assassinated. Dash argues that:

“Gallucci’s ability to mobilize the vote in Harlem, to get immigrants registered and to make sure they cast their ballots as he told them to, allowed him to wield the sort of power that Morello never had: power that stretched beyond the confines of the Italian neighborhoods. Hundreds of immigrants meant hundreds of thousands of valuable votes cast, and as a partisan of the all-powerful Democratic political machine, which ruled Manhattan from its headquarters at Tammany Hall, the King possessed influence that his rivals could only dream of. Tammany rarely lost an election, and that meant that it controlled the city’s police, not to mention the huge army of bureaucrats responsible for handing out city construction contracts and licensing saloons...Gallucci was all but immune from prosecution, and although he was occasionally arrested for minor crimes, the cases never seemed to come to court...To other members of the Morello family, however, the friendship between Lamontes’ [allies of Morello] and the King was deeply shameful. Gallucci after all, was Neapolitan, and, in the Morello’s diminished state, he was also the Lamontes’ superior, at least in the districts around 109th Street.”

Gallucci was shot dead outside of the building where he and his family lived, above the bakery that they owned at 318 East 109th Street, which he had bought for his son Luca who was also killed in the hit. The hit was carried out by two of Gallucci’s former bodyguards Joe”Chuck” Nazzaro and Tony Romano, with the help of Andrea Ricci, who was a member of the Navy Street Gang under Pellegrino Morano, who put up the money for the hit. Morano sought revenge against Gallucci for the killing of his nephew Amadeo Buonomo in 1913. On the eve of his death the New York Herald referred to him as “the most influential and perhaps the wealthiest Italian in the country” in an article from May 18th, 1915. According to mob historian David Critchley, “the killing of Gallucci represented a joint venture, performed by the Morellos in Harlem acting with Brooklyn.” Gallucci’s death lead to a massive power vacuum throughout the East Harlem rackets he controlled, which would be contested over between the two groups.

---

64Dash, 313
65Dash, 313
who coagulated to bring him down. Before this final hit in 1915, several attempts had been made on Gallucci’s life, and many of his bodyguards took these hits for him, he was wanted dead by both of the gangs who wished to seize his power in the neighborhood67.

Gallucci also ran the Italian lottery in East Harlem, which was how he made a lot of his fortune. This lottery is a numbers racket, because it was a way to collect money from the commonwealth of the neighborhood, without making it seem like something illegal. By offering affordable lottery tickets to mostly poor Italian immigrants, Gallucci made himself accessible to East Harlem’s body politic, which was part of how he got access to Italian votes when he became involved with local politics. Gallucci he was seen as an exception among Italians at the time; they weren’t generally open to the letting Italians into their powerful circle. This seems to be especially true after Gallucci was shot, because there is information connecting the Morellos to Gallucci’s murder as well as their Brooklyn Camorra enemies. The reason may be true because of the violence that ensued after Gallucci’s murder; Tammany did not want to be associated with gang leaders while those individuals are fighting a violent war. If not for this reason, one would imagine that a war takes priority over local politics in the eyes of a wartime leader. Dash points out the obvious differences between Gallucci and Morello:

The Mafia-Camorra War began with Gallucci’s death in 1915 and many members from both sides were killed. The Morello’s temporary capo, Nicola Terranova, the youngest of the three was killed at Vollero’s Cafe on September 7th, 1916, during what Terranova thought was going to be a peace talked but turned out to be a set-up; Vollero’s Cafe was part owned by Alessandro Vollero, Leopoldo Lauritano and Pellegrino Morano. The struggle continued until 1917, when Ralph Daniello, a member of the Navy Street gang under Pellegrino Morano, testified against his boss and Vollero in the case investigating the murder of Terranova. Vollero

67 Critchley, 109
was released from prison in 1925 and was killed almost immediately after his return from Sing Sing prison. With Morello and Lupo also in prison, the alliances in the war began to change; Salvatore D’Aquilla, who had previously worked under Morello, split from the family in 1910 once it fell under the control of the Terranovas. D’Aquilla named himself capo de tutti capo and made his underbosses the infamous hitmen Umberto Valenti and Alfred Mineo, who would later take over the D’Aquilla family.

A short and interesting Times article described the Camorra as the “Tammany of Naples”, which is the headline of the article from November 9th 1901. It reads: “The Tammany of Naples, the Camorra, seems likely to have the same fate awaiting it as it’s brother bandit organization in New York lately met”. It is no surprise that the Times would want their readers to believe that such a connection exists, even if this were not true. There are many examples of how Times style of reporting during these early years was influenced by an ethos of progressive reform. The Times used investigative journalism as a way to bring attention to political corruption and their goal in doing this was to create transparency in government. Because of how transparency was one of the goals for the Progressive Reform Movement at-large, those acting on behalf of this ethos targeted Tammany Hall as one of the champions of corruption, secrecy and backroom political dealings.

68 Critchley, 49-51
Chapter 3: Competing Models of Efficiency

The struggle for the mafia to maintain secrecy, for the FBI to surveil the mafia and for Tammany Hall to remain honest looking after the successes of the Reform Movement

At their historical roots, Tammany Hall and the Italian-American mafia have a lot in common. Both of these organizations somehow influenced the political and economic aspects of life in New York City during the first two decades of the 20th century. Both of these organizations maintained their power and ergo their existence by creating co-dependent relationships with the influx of immigrants coming to America between 1900-1924. Both of these organizations are structured in a hierarchal way, such that there is a single leader who has influence over a small circle of “ward bosses” in the case of Tammany and “under bosses” in the case of the mafia. Each of these “under bosses” or “ward bosses” is surrounded by its own gang in the case of the mafia and district assemblymen in the case of Tammany.

Both of these organizations function from the top-down and the bottom-up. For example, information is centralized from the bottom up and decisions are made from the top-down. It is every member’s duty to report crucial information to their superiors and to follow their strict code of secrecy regarding classified information. Failing to do either of these things could result in consequences for the individual involved with either of these organizations, In the case of Tammany, an individual might lose their position or an opportunity to rise in the political ladder if they were to oppose a Tammany nominee or disagree with a Tammany act. In the case of the Italian mafia the consequences could cost an individual their life. These common elements have major significance in the way these two organizations grew co-dependent upon one another. This relationship became strong during the 1920s because both organizations wanted to profit from the illegal liquor market and the
mafia was the most subversive and convenient way to do that. Instead of trying to stop the mafia’s illegal operations, Tammany ran their political protection racket by accepting graft,

**Murder and Exclusion for Efficiency**

Through the several violent case studies from chapter one showed the different ways that the leaders of a given mafia group maintained their ideal models of efficiency by enforcing certain codes of conduct that are rooted in a certain mafia tradition. In the case of the murder of Gaetano Reina, there is little insight regard Morello’s reasons for setting up his execution, other than that Reina was an alcoholic who spoke out of line. This would seem to be a murder influenced by passion and jealousy; Reina was drinking excessively and talking out against Morello’s leadership. It’s believed that Benedetto Madonia threatened the group’s secrecy. Even though Madonia may have not been a member of the gang, his relationship to De Priema connected him to the Morelos. In the case of Detective Petrosino, he found out too much about the organization and potentially had enough evidence to build a case against both the Camorra and the Black Hand, putting him in a very dangerous position. It is not confirmed whether it was Morello or Cascio Ferro or any part of the Camorra network who put out the hit on Petrosino, but we know that the detective’s extensive knowledge of the mafia put any of these illegal organizations in danger, and therefore his execution was seen as necessary to maintain secrecy. The murder of Giosue Gallucci was very different form of violence. Instead of being motivated by omerta or efficiency, Gallucci’s murder was a mafia *coup d'état*. The conspiracy to overthrow Gallucci was carried out by two of his most trusted bodyguards, who were convinced to do so in collusion with the Terranova brothers and the Navy Street gang. Gallucci’s death spurred a power vacuum that lead to the Mafia-Camorra War, in which many more cases of violence
occurred as a result. The murder of Nicola Terranova was a setup, that was meant to be a peace talk, but was actually Morano’s attempt at decapitating his East Harlem competition.

Violent measures were used within the mafia organization to protect the secrecy of the group’s operations. Conspiracy often lead to an act of violent revolt or to suppress any leak of sensitive information. The leadership of Morello and Lupo was followed by the leadership of the Terranova brother. The power structures within the organizations later became controlled by Masseria and Maranzano, followed by Luciano, Arnold Rothstein and Frank Costello, who all had their own way of maintaining order and efficiency from the top-down. Each mafia leader was the architect for their own idealized models of efficiency that usually influenced their decisions. Based on these models, they often made decisions meant to protect their own individual power and to seize power, from their enemies, whoever those enemies may be.

Along with using several forms of violence: omerta, vendetta, revolt, extortion and passion, we also see different legal and illegal means of acquiring wealth, which is the reason for insuring that these idealized systems maintained their efficiency. Morello’s first counterfeiting operation was unsuccessful because he was working with people who didn’t have an invested interest in him as a leader, and therefore they were reckless in their dealing of Morello’s counterfeit bills. The Dude Thompson gang was a weakness in Morello’s early counterfeiting operation, because there was a general lack of trust and discontinuity between internal factions. Morello’s second counterfeiting operation might have been successful if his conspirators had kept their silence.

Regardless of the flaws in his system, Morello was able to keep himself separate from the operations that he was in charge of, until 1909, when the law finally caught up with him. Evading law enforcement keeping himself out of the public eye was part of his criminal character, which benefits him when his models of efficiency are disrupted. Gallucci ran his
operations much differently from Morello, and he was a much different leader. Although they both ruled with fear, Gallucci was a much bigger and more powerful figure than Morello. Morello was not a public figure but rather tended to lurk in the shadows as almost an underworld myth. Whereas Gallucci made himself into more of a politician than a gangster, who wasn’t afraid to be known by the public. Perhaps this was the reason that so many assassination attempts were made on Gallucci throughout his reign as “King of Little Italy”. Gallucci’s involvement with the numbers racket or the Italian Lottery, was his method of building wealth, the same method used by Luciano and Costello’s gang before prohibition. There was a definitive generation gap between the Luciano and Costello’s 10th Street gang and the Gallucci’s gang, which operated around the same time as the Morellos and the Navy Street gang. Gallucci, Morello, Terranova, Morano and Lupo are the archetype of the “mustache Pete” generation, the first generation of Italian born, American mafia bosses. Maranzano and Masseria, were the second generation of mafia bosses, who competed for the title of “capo de tutti capo”. Luciano, Costello, Lansky, Adonis, Siegel and the rest of their gang would become the third generation of powerful mafia bosses to solidify power between 1929-1931.

As the mafia violence continued throughout these generational shifts, the heads of these organizations become more and more experienced criminals, starting at younger and younger ages, as well as adapting to the American way of doing business, and shifting away from the traditions from which these structures are derived. Later chapters will show how under Luciano’s model, “the Commission”, made himself the chairman and together the different bosses were autonomous executives of their own organizations. The leaders of the five families under the Commission had equal voice, instead of necessarily taking orders as they would under Maranzano and Masseria.

---

70 Dash, 314
By the time Luciano’s generation takes over the mafia, we see a coming together of the Italian and Jewish gangsters in New York City. Luciano forms a multi-ethnic business that didn’t exist in the Morello faction or the Neapolitan tradition until this new order created this change. Luciano reflects on Maranzano and Masseria’s opposition to the idea of doing business with Jewish and Irish gangsters, because they are more accustomed to the old Italian way of doing things, whereas Luciano, who grew up in the Lower East Side, a diverse neighborhood at the time, made close friends with many non-Italians such as his best friends Lansky and Siegel who were Jewish and Adonis who was Irish-German. Luciano’s order becomes the order for “La Cosa Nostra” throughout the remainder of the 20th Century, and his influence marks the Americanization of the Italian mafia’s model of efficiency. The information available regarding the details of this organizational model are limited or questionable, because it either comes from an accused members of the organization, or a media source.

If we believe that these individuals took a vow of secrecy with their life on the line then we also have a reason to suspect that their accounts could be false. In cases like Gaetano Reina, perhaps we’ll never know. In cases like the “Barrel Murder Mystery”, the information we have comes from the newspaper reports, which seems to be the most reliable source. In some cases there were eye-witnesses, which happened to report the instance anonymously to newspapers, giving kind of a clearer picture of why his murder took place, but the real source of true information on the matter, is hidden in the mind of Morello and his comrades, like the system at large, which we can only do our best to trace.

The Secret Service, the FBI and Tammany Hall, all function with their own models of efficiency, which are based on different codes of conduct, that also involve a level of secrecy. It is the job of the Secret Service to investigate the trail of murder cases left behind by the Black Hand, in order to build a case, and to prove that the organization even exists. Joseph Petrosino,
William Flynn, Hazen and other members of this early federal agency investigating the Black Hand, were held back by the burden of having to prove that certain murder cases involved a conspiracy related to a conglomeration of organized criminals. This involves extensive surveillance and the collecting of information that could somehow be used as evidence against the organization.

It was often near impossible for federal investigators to gather the evidence necessary to get a conviction, because of the difficulty in finding a material witness, that hadn’t already been reached by the mafia. Members of the low-incomes Italian immigrant communities were easily deterred from testifying against the Black Hand, knowing that members of these groups were extremely dangerous and capable of devastating violence. Therefore the earliest government agencies trying to rid New York of these criminal bands, did not create efficient enough ways to legally prove that these murders were related and part of a criminal conspiracy. Over the years, these agencies would adapt to the growing presence of organized crime in the city, and their methods of taking down these systems become more efficient. The conviction of Lupo and Morello in 1909 and the conviction of Morano and Vollero in 1917, were the most success that a federal agency had achieved in terms of fighting organized crime in the years before Prohibition.

*The Early Battles of the Jazz Age*

The controversial relationship between the Italian mafia and the Tammany political machine becomes more conspicuous during prohibition, due to the sudden shift in the political-economy created instantly by the enactment of the Volstead Act. Many local and state politicians seized an opportunity to directly benefit from the immense graft generated by certain suspicious and often criminal interest groups. In exchange the machine would guarantee that
certain individuals were given impunity from local and sometimes state or federal law enforcement, depending on how much power these diplomats or bureaucrats had.

There were many cases during this time, in which politicians benefitted from having close ties to powerful bootleggers, gamblers and high ranking members of the mafia. The mafia group of interest here is *The Commission*71. Luciano’s group was notorious for rigging elections and running an international bootlegging operation, with the protection of local officials and powerful members of the New York Police Department. Luciano explains the ways in which he and the other powerful members of his organization prepared for their venture into the illegal liquor market. When it came to organizing and financing their operations, Luciano gave a lot of the credit to Frank Costello for handling the logistical business side of the illegal operation that they were planning. Luciano describes in detail, the ways in which Costello’s business mentality and wise investment decisions created what would become an illegal empire, which elevated the power of the Italian mafia to an international scale. Luciano begins by describing the business decisions he and Costello made before Prohibition was put in place; a point at which he prepared to build a foundation for what was to come later:

> We called it our ‘Buy-Money Bank’. It started with five grand and the pot was turned over to Costello to use any way he saw fit.’ Within a decade, the amount in Buy-Money Bank— to corrupt those on the public payroll— had grown into millions of dollars. Costello started small and cautiously with this limited initial bankroll, putting cash into the hands of police and politicians in the districts where the group was buying into book-making operations, greasing the ward heelers who could use it to insure election victories by buying turkeys, cigars, medical treatment and more in exchange for votes. Early in 1919, a new world suddenly opened. The keys to riches and a kind of shadowy respectability were handed to Charlie Lucania and his friends, and the door slid open easily, greased by the funds Costello had spread from the Buy-Money Bank. On January 16, the Eighteenth Amendment to the Constitution of the United States was ratified, to become the law of the land a year later. It banned the general manufacture, sale and transportation of intoxicating liquors and beers...the Volstead Act, amplifying and strengthening the language of the Prohibition amendment and setting up the federal machinery for its enforcement72

---

71 Finalized and organized by Luciano and his compatriots, following the Castellammarese War (1929-1931). Luciano and his tight-knit group of diverse, New York City bred gangsters, staged a *coup d'etat* on both of the former leaders of the Italian mafia, those men being Salvatore Maranzano and Joe “The Boss” Masseria”. Luciano shifted his loyalty against Joe “The Boss”, seemingly in favor of Maranzano, at which point he killed Maranzano in order to become the leader of the “Five Families”

72 Gosch, 29
In this passage, Hammer and Gosch do a good job of introducing the two sides of the battle which was going to ensue beginning on the eve of national Prohibition and continuing into the remainder of this “noble experiment”. Both the mafia and the federal agencies responded to the Volstead Act with something at stake. Both sides had something that needed to be prepared for as this new law was put in place. The mafia began to organize around the bootlegging business and federal agents intended on disrupting the flow of their illegal business by collecting evidence of a conspiracy to systematically break the law. Both sides were limited in Costello and Luciano’s goal was to make a fortune by creating a network of bootlegging and rum running operations by importing liquor from foreign countries as well as their own illegal distilleries and selling their product to the millions of people who planned on disregarding this federal law. In the case of Costello and Luciano, their earliest rum running and bootlegging operations were funded in part by Costello’s Buy-Money Bank. However another source of funding for Luciano and Costello’s extensive operation was the patronage of a very wealthy Jewish club/hotel owner, gambler and investor from New York City, named Arnold Rothstein. Rothstein loaned large sums of money to Luciano and his mafia related comrades, Giuseppe “Joe” Adonis, the infamous Jewish gangster and longtime friend of Luciano’s, Meyer Lansky and his comrade Benjamin “Bugsy” Siegel, Carlo Gambino, Gaetano “Tommy” Lucchese, Giuseppe “Joseph” Bonanno and Joe Profaci. With the money that Rothstein gave to Luciano and his crew, it was their job to plot international trade routes across the finger lakes to Ontario, Canada, where the Seagrams distillery was first based as well as the Caribbean, where major distilleries such as Bacardi were producing rum. Rothstein gave Luciano, Lansky and Costello access to his vast nationwide network of illegal gambling rackets and club owners, who were creating a demand for a consistent supply of illegal liquor, to satisfy every drinker in every “wet” city in America. Not only did Rothstein bankroll major bootlegging operations, he also bankrolled popular
nightclubs, where he could make an immense profit from his liquor import operations. Rothstein part-owned the Cotton Club with Legs Diamond, Casa Blanca and El Fey Club with Larry Fey, and Leo Lindy’s where he was an everyday regular. Rothstein was also the owner of the Park Central Hotel, where he held permanent residence.\textsuperscript{73}

Luciano reflects on how he and his comrades were able to use their relationship with Rothstein to build important political and business relationships with prominent members of the local establishment such as the Police Chief and several Tammany politicians. The kind of influence that Luciano describes is one that uses subversive methods of persuasion and exercise his control over these individuals by offering large sums of money. In his semi-autobiography, Luciano speaks candidly about his influence on politics, and gives his narrow view of politics from his standpoint. The two most noteable members of Tammany who were close under the wing of Luciano was Albert Marinelli. Luciano reflects on the persuasive methods he and Costello used to seduce Marinelli into advocating on behalf of their interest in New York politics:

>

They had plenty to offer the politicians who helped them, those candidates for the public’s vote and trust. They had the money to finance any campaign, to make any tractable politician a wealthy man; they had the contacts and the knowledge to turn a willing politician on to lucrative deals in road-building, construction and more-- the list is endless-- and they had the strong-arm forces to terrorize any of their candidates’ opponents and to incline their voters to cast their ballots the ‘right way’...like Tammany leaders Jimmy Hines and Albert C. Marinelli. And often they did not even have to seek out the politicians, who came to them seeking assistance. ‘We wanted good guys-- winner. Even though we played both sides of the political line, and that way we couldn’t lose, still it was a good thing to have a guy elected who could do a nice job and get reelected easier’\textsuperscript{75}

Luciano’s seemingly candid discussion with Hammer and Gosch could be seen in such a way, that he does not mind telling the absolute truth about how much influence he had over politics at the time, or perhaps he was exaggerating for the sake of telling a good story. This quote from


\textsuperscript{74} Gosch, 161

\textsuperscript{75} Gosch, 83
Luciano suggests that he believed that much of the time, these politicians wanted his help because of how easily success would come following such a deal. At the same time, if someone were to be competition for one of Luciano’s candidates, and therefore unwilling to submit to Luciano’s propositions, he had the option of using his “strong-arm forces” to “terrorize” the competition and their constituents. From Luciano’s perspective, either of these alternatives seem to be a viable option for achieving the power that he desired. Luciano’s rhetoric here implies that he would rather side with guys who can win elections on their own and advocate for his interest without having to use force, but using force doesn’t seem to be out of the question.

*The Democratic National Convention of 1924*

Roosevelt replaced Smith as the Governor of New York in Albany and would be his main competition for the nomination in 192876. Although Smith was the candidate running for President in 1928 and the governor of New York before that, he did not hold the most power within the organization of Tammany Hall. Murphy’s death happen to be the same year as 1924 Democratic National Convention, where Murphy nominated Smith as Tammany’s candidate. Perhaps Murphy’s death marks the beginning of the end for the political machine; Tammany’s organization was destabilized as a result of Murphy’s death, which occurred in the middle of Smith’s campaign, months before the convention. This was the time when people were becoming aware of the direct links between the political machine and organized crime.

William G. McAdoo was an important figure in New York City politics and law enforcement in the early twentieth century. In 1905 McAdoo published his book *Guarding a Great City*, in which he shares his views on how the system of urban policing should function. In contrast with the views of George Washington Plunkitt, McAdoo represents a

---

counter-argument to Plunkitt’s advocacy for the strength and efficiency of the political machine. As the former Chief of Police in New York City, McAdoo reflects on the problems that arise when the police become voting agents for the political machine. McAdoo begins the last chapter of his book by stating

Politics ought to have nothing more to do with the police force than has the question of religious belief, and whatever it touches the department nothing but evil snues. It paralyzes the police arm for the enforcement of the law; it puts merit to the rear, and incompetency and dishonesty to the front...Moreover, the police, as a political machine, is much more powerful than the army or navy. If a political organization were given the option of a large election fund, amounting to a very large sum of money, or complete control of the political machine, I am quite sure that an astute politician would choose the latter. Aside from the fact that each policeman can control, if he exerts himself, certainly one vote in addition to his own, and sometimes maybe as many as ten, the police, from their numbers and influence, might determine an election”

McAdoo’s describes the police as its own political machine, because historically and at his present moment, the actions of the police force were being controlled and co-opted by the Tammany political machine. McAdoo does not address Tammany Hall by name in his entire book; a decade and a half later McAdoo became a leading candidate in the Democratic National Convention for 1920 and 1924. McAdoo’s popularity in the Democratic party had a lot to do with the fact that he was Woodrow Wilson’s son in-law and was favored among southern Democrats. American historian Robert K. Murray wrote a detailed history of the controversial Democratic National Conventions of 1920, 1924 and 1928, called The 103rd Ballot. In his book, Murray goes into detail about the differences between the Democratic candidates and how each of them embody a very different political beliefs. What Murray says about McAdoo is that McAdoo’s beliefs were “unquestionably rooted in Wilsonian pre war progressivism with its suspicion of monopolies and desire for monetary rural reform...the specific thrust of McAdoo’s progressivism was anti-Tammany, anti-Wall Street and dry”78. A similar depiction of McAdoo is conveyed in the biography of Al Smith, Empire Statesman, by Robert A. Slayton, who says “many considered him [Mcadoo] the last Democratic

president’s heir apparent”. Slayton points out how much of McAdoo’s success in the Democratic primaries of 1920 was largely due to the support of Ku-Klux Klan. Slayton writes,

Above all, McAdoo had emerged as the candidate most in harmony with the KKK, and quietly counted their votes. Most of the agreements were tacit, but because William Gibbs McAdoo had never in his life repudiated the KKK in any way, shape or form, to most Americans he became associated with them, and became known as the Klan candidate. James Cox, the 1920 Democratic candidate, attacked McAdoo because he ‘remained silent at the sponsorship of his campaign by the Ku Klux Klan... The Klan was solidly behind him’... Thus, as the Democratic convention unwittingly set out to fight over the meaning of America, Mcadoo served as the perfect opponent for Al Smith.79

Consider the words of William McAdoo in his book and his concern for using the police as a political machine and the fact that he used the KKK as a means to become a leading candidate for the faction of the Democratic Party favored in the south. The same man who served as the Chief of Police in New York City, ran for president with the support of the unapologetically racist, southern Democratic establishment80. Despite having the support of the southern Democrats, the party’s nomination went to James Cox, who lost the Presidential race to conservative Republican Warren G. Harding, whose administration following this 1920 election, will be further discussed.

Between the views of McAdoo and the views of Plunkitt discussed in chapter one, there are two comparably different approaches to politics from the same time period. Plunkitt’s pro-Tammany perspective was represented by Tammany’s own Al Smith. McAdoo and Smith both represent very different sides and different cultural divisions of the Democratic party at the time. One of the candidates was very much rural and the other was urban, one was in favor of national reform and the other was in favor of decentralized municipal and gubernatorial power. Murray describes the background of Al Smith and the clear differences between him and McAdoo:

Smith was born in New York City on the third floor of a three-story wooden tenement on South street in the Fourth Ward on December 30, 1873. Like his native New York, Smith was an ethnic meld...His

80 Murray, 168
Lower East Side neighborhood was respectable although poor. There the local St. James Catholic Church became the focal point of his adolescent world, and there he played in amateur theatricals, served as an altar boy, and pumped the organ for the organist. There he also first came into contact with Tammany’s political influence and met his local lieutenant, black mustached Tom Foley, who with a big smile threw pennies to the kids and gave the community one of biggest yearly events.

Murray explains the stark difference between the McAdoo campaign and the Smith campaign: “Both the Smith and McAdoo forces had lost the ability to communicate. Differing political and economic ideologies, cultural patterns, and religious beliefs may have been underlying reasons for the origin of their conflict... vanity, obstinacy, personal pride, jealousy and vindictiveness took over.” McAdoo and Smith fought for the nomination from opposite ends of the Democratic Party, and both of them ended up losing it to John W. Davis, another close friend and associate of Woodrow Wilson. Davis was adored by the Democratic Party because he was able to satisfy most progressives, many moderate reformers and even a small number of Republicans because seen as a mystery. The convention of 1924 attracted a very diverse crowd of voters who stood on one or the other side of many issues based on which candidate they identified with, and where as well as who supported that candidate. The prominent issues concerned race and segregation in the south, Prohibition, immigration, (which had been barred due to the Johnson Act), Murray emphasizes how the Ku Klux Klan played an alarming role in determining the outcome of this peculiar convention:

Long reasoned that regardless of what McAdoo might say, Smith had the anti-Klan Catholic vote and Underwood had the anti-Klan non-Catholic vote. Hence, McAdoo’s potential loss from attacking the Klan far outstripped any potential gain. According to Long, the key to success was to play the Klan issue in a neutral key. McAdoo agreed... Some of Smith’s advisers advocated that the New York governor not become too closely identified with a militant anti-Klan stand.

Because McAdoo depended on the support of the racist southern Democrats, he had no choice but to count the votes of the Ku Klux Klan and refrain from condemning them. There was no question that Smith was going to speak in opposition to the Klan, because he already had the support he needed from Irish-Catholics and his densely populated home state of New York. In

---

81 Murray, 59
82 Murray, 179
83 Murray, 154
the case of the winner; “on August 22 [a month after the convention], Davis condemned the Klan, but then after doing so, he worried about it... anxious to keep the south and the Klan-infected Midwest in line”. Perhaps remaining neutral at the convention allowed Davis to be seen as a moderate and win the nomination, affording him the opportunity to condemn the Klan once he won. This political contest reflects significantly on the groups that had influence on a national politics, and the two sides of this convention were also engaged in a struggle to achieve very different political ends. On one side you have candidates of the southern elite, some supported by KKK and on the other you have urban catholics, voting for a man who was seen as a real New Yorker, called a “Yankee” by his opposition.

**The Criminal Career of Charlie “Lucky” Luciano**

Smith’s background has certain similarities to that of Charlie “Lucky” Luciano, who also happened to grow up in the Lower East Side. Luciano stats his support for Smith in the 1932 convention, although he wasn’t sure that someone from his neighborhood should run President. Luciano’s criticism is: “Sure, I liked Smith and he was the guy I wanted, but he didn’t talk no better than me and I sorta hated that anybody should be in the White House talkin’ like a guy from the Lower East Side”. Perhaps Luciano didn’t realize the fundamental differences between Smith and himself, in terms of their respective upbringings in the neighborhood. Instead of growing up being an altar boy at the church, Luciano was involved in much less wholesome and illegal activities.

Luciano was 19 years-old in 1916, when he was arrested on a narcotics charges; he was caught selling a half-dram of heroin. Luciano had been secretly selling heroin while working for a salesman named Max Goodman, who was an honest hard working Jewish man

---

84 Murray, 250  
85 Gosch, 159.
from the Lower East Side. He was like a surrogate father to Luciano. Luciano took advantage of Goodman’s help by using hat deliveries as a cover for selling drugs. Luciano lived and dealt drugs in the Lower East Side with his closest friends --Meyer Lansky, Benjamin “Bugsy” Siegel, Joe Adonis, and Frank Costello, who grew up in East Harlem and worked for the Morello/Terranova gang. Luciano reflects on what it was like growing up in the Lower East Side, surrounded by vice and corruption. Luciano describes the experience of being surrounded by criminality and explains what first attracted him toward the criminal underworld at a young age. Luciano claims that he and his comrades did not fear the infamous underworld figures of the older generation, who ruled his neighborhood, despite his parents’ fear of this early generation of Italian mobsters. Luciano tells about his memory of these mysterious men that he aspired to be like growing up:

When I looked around the neighborhood, I found out that the kids wasn’t the only crooks. We was surrounded by crooks, and plenty of them was guys who were supposed to be legit, like the landlords and storekeepers and the politicians and cops on the beat. All of ’em was stealin’ from somebody. And we had the real pros, the rich Dons from the old country, with their big black cars and mustaches to match. We used to make fun of them behind their backs, but our mothers and fathers was scared to death of them. The only thing is, we knew they was rich and rich was what counted, because the rich got away with anythin’.

The generation of mobsters that Luciano is referring to includes his predecessors, Morello, Lupo, the Terranovas and their associates. This first wave of Black Hand criminals that came to America have been labeled as the “Mustache Petes” because many of them had a similar kind of thick mustache. According to Luciano, the members of this generation include both the Morello’s and Maranzano as well as Masseria, because they all came from the old Sicilian order. Even though Masseria and Maranzano had power at a later point than the Morello gang, they were Sicilian born and came with the intention of maintaining this old imperial-styled order. Luciano on the other hand, was very young when he arrived in the

---

86 Gosch,8
Lower East Side, and didn’t come with many preconceptions about people of a different ethnic background. Masseria and Maranzano were primarily opposed to doing business with non-Italians and in most cases refused to do business with non-Italians. Due to the fact that this old order was controlled by the capo de-tutti capo, and both Maranzano and Masseria were contending for that position, a seemingly inevitable conflict breaks out between them in 1929 and lasts until 1931. This conflict is the Castellammarese War, which was a violent struggle between equally powerful factions lead by bosses of the Sicilian mafia within the context of being immigrants in New York City.

In his 1962 biography, Luciano discusses with Hammer and Gosch, the ways in which jealousy gets in the way of efficiency, and how the politics of the mob becomes contentious and violent in the fight for absolute power. Luciano explains to his peers the ways in which jealousy can plague their illegal organization. Lucian advises his men to avoid being jealous and to not make enemies if you don’t have to:

I reminded 'em of things that they liked to forget about-- about the old Mustache Petes, about Masseria and Maranzano, and so forth. I told em’ that jealousy was our biggest enemy, jealousy of what some other guy in another outfit had. I told ‘em about their own figures, their own takes, and their own profits, and I said unless any one of us was a greedy pig -- I didn’t look at Vito when I said it-- that in our kind of business there was so much money to be made that nobody had the right to be jealousy of nobody else87.

Gosch writes about Luciano’s gang when they were in their early twenties; Luciano and his 10th Street gang were teenagers at the time of the Mafia-Camorra War, involved in petty street crimes, not yet aware of the kind of the massive illegal business operations that they would later uphold, or the great fortune that Luciano, Lansky, Siegel, Costello and Adonis would later earn with the patronage of Rothstein. Rothstein is perhaps the most notorious jewish gamblers in the history of New York; he is best known for fixing the 1919 World Series. Gosch and Hammer write about how Luciano’s crew of witty small time crooks

87Gosch, 314
opened the doors to an underworld of crime and illegal fortune. Thanks to Frank Costello’s money minded intelligence, this small gang of poor Jewish and Italian kids from the slums of East Harlem and the Lower East Side quickly became members of New York City’s upper echelon society, by building a gambling empire which was patroned by Rothstein. Gosch writes,

By the time the Armistice [to end the First World War] was signed in November of 1918, they [Luciano, Lansky, Costello and Siegel] had organized a gang of more than twenty members, were ranging over the downtown area of Manhattan where Luciano, Lansky and Siegel had grown up and still lived, over the East Harlem terrain of Frank Costello, and into the wealth of midtown in between. They hit small banks, warehouses, stores, anyplace where there was loose money or loose goods that could be fenced. Siegel was always out in front, the man to take the risks...In the ghettos, the pawnbrokers and moneylenders were natural targets, and if some of them got badly beaten, ‘it was their fault for keepin’ so much money around...if all the nickels and dimes we took from them had been put into premiums, I’d own more than a million dollars’ worth of life insurance today’ [says Luciano].

This is how Luciano and his gang would make money as petty thieves in the poor Italian neighborhoods in the city. Gosch and Hammer write about how these small-time crimes didn’t build up to a fortune, but rather left the boys with a little excess money, which they would invest in gambling rings. Gosch writes, “as profits piled up beyond their immediate needs, they sought ways to put that money to work. They knew that off-track betting was a protected business and they began to buy into established ‘books’...in midtown. It was the beginning of what would become a gambling empire blanketing the nation.” Gosch and Hammer quote Luciano saying, “Ever since we was kids, we always knew that people could be bought. It was only a question of who did the buyin’ and for how much. After all, we saw it everywhere around us-- from the cop on the beat to the captain of the police precinct, from the ward heeler to some top politicians”. In Luciano’s “Last Testament”, he speaks very candidly about his comrades, and lets the reader know very important characteristics about these mysterious underground figures, whom were not supposed to know about.

---

88 Gosch, 28  
89 Gosch, 28
Luciano discusses his fondness for his comrade Frank Costello, expressing admiration for Costello’s contribution to the group’s success in bringing their influence to the level of local politics, something that perhaps wasn’t the case since Giosue Gallucci was “King of Little Italy”. According to Dash, Morello did not have the political power that Gallucci wielded, and neither of them would rise to the level of power that Luciano and the young members of “The Commission” would by 1931. Luciano says, “it was Frank Costello, a little bit later, who really opened the door to the whole business of buyin’ influence and protection. He had the style and the class of a guy twice his age, and with that Irish-Italian name we hung on him, he was able to move into all circles”\textsuperscript{90}.

These circles included the company of Arnold Rothstein, who was the most important patron of Luciano, Costello and their comrades. Rothstein was the key to all of the success that these men, then in their young twenties would later achieve. Rothstein’s connections to Tammany Hall and the numbers racket was what made him so powerful in the 1920s. His reach of power echoes the way in which Gallucci ran his machine, and controlled politics and book keeping. Herbert Mitgang’s book \textit{Once upon a Time in New York: Jimmy Walker, Franklin Roosevelt and the last great battle of the Jazz Age}, gives a historical account of the political battle between the Tammany elected mayor of New York, Jimmy Walker and then reformer and governor of New York, Franklin D. Roosevelt. However, the book doesn’t begin by discussing either of these political actors, but by discussing Rothstein’s role in manipulating politics. Mitgang mentions that F. Scott Fitzgerald creates a character in \textit{The Great Gatsby}, with the name Meyer Wolfsheim, the gambler who fixed the 1919 World Series in the book, something Rothstein did in real life. Rothstein surrounded himself with notorious Jewish and Italian gangsters, such as his bodyguard, the notorious bootlegger, Jack

\textsuperscript{90} Gosch, 48
“Legs” Diamond and the Harlem racketeer Dutch Schultz, both of whom were protected by Assemblyman Jimmy Hines, who ran for mayor under the Tammany ticket with the help of Luciano and Rothstein. In addition to Hines, Maurice F. Cantor, Rothstein’s “counselor-at-law” was his primary connection to Tammany Hall.

Tammany’s Power Under Richard Croker and Charles F. Murphy

Charles F. Murphy was the boss of Tammany from 1902 until his death in 1924. His predecessor Lewis Nixon resigned very shortly after taking this position from longtime boss Richard Croker. Plunkitt says the following about Crokers:

“Richard Croker used to say that tellin’ the truth and stickin’ to his friends was the political leader’s stock in trade. Nobody ever said anything truer, and nobody lived up to it better than Croker. That is why he remained leader of Tammany Hall as long as he wanted to. One would expect that such praise would come from Plunkitt, being that he is himself a powerful member of Tammany, and therefore it is in his best interest to speak highly of his superiors. As well as ignoring the fact that Croker had been accused of corruption from state authorities, Plunkitt also gives advice on how an individual should act and the kinds of goals they should set in order to succeed within the Tammany system. Plunkitt’s advice is aimed mostly toward young men who live in the city and wish to succeed in various kinds of professions. Plunkitt makes a case for how and why people get appointed to positions in the municipal government through Tammany Hall, and the ways in which it is a system that relies on appearance for credibility. Plunkitt emphasized the importance of dress to his audience and his advice is striking because he warns about the “dangers of the dress-suit in politics”.


92 Plunkitt, 47
comes as a surprise for two main reasons: when we think about how politicians dress, they often wear high-end dress suits to flaunt their wealth and build their reputation and because Plunkitt embellished the wealth he has earned as a Tammany politician, which he claims was acquired as honest graft. Plunkitt explains that this was the case with Richard Croker, and blames Croker’s first dress-suit for his obsession with material goods and eventually his political downfall. Plunkitt describes Croker’s change after owning a nice suit:

Above all things, avoid a dress-suit. You have no idea the harm that a dress-suits have done in politics. They are not so fatal to young politicians as civil service reform and drink, but they have scores of victims... a bright young West Side politician, who held a three thousand dollar job in one of the departments, went to Lakewood to ask Croker for something better. He wore a dress-suit for the first time in his life. It was his undoin’. He got stuck on himself. He thought he looked too beautiful for anything, and when he came home he was a changed man. As soon as he got his house every evenin’ he put on that dress-suit and set around in it until bedtime That didn’t satisfy him long. He wanted others to see how beautiful he was in a dress-suit; so he joined dancin’ clubs and began goin’ to lall the balls that was given in town. Soon he began to neglect his family. Then he took to drink93.

Plunkitt’s argument shows an understanding about the harms of materialism in politics. Although Plunkitt does not hide that he has acquired a fortune in politics, he is aware of the fact that such wealth must be protected in order for a politician to maintain his integrity. Plunkitt is warning young aspiring politicians (which seems to be his audience) that materialism is a consequence of politics, which can help an individual’s reputation but harm the way they perceive themselves. Plunkitt is himself an example of a politician who became successful for being popular in a poor neighborhood and grew up without having experienced wealth, therefore such wealth was previously unfamiliar to him as well as the boys who come from poverty. Plunkitt is emphasizing the importance of remembering where one came from when they become successful in politics, because it is the district that they come from which made them successful in the first place. Plunkitt’s advice shows an adept knowledge of how Tammany Hall works, in the way of adopting its members at a young age. Due to the fact that Tammany Hall was a political organization, its existence depended greatly upon this

93 Plunkitt, 67
monopoly over public opinion and members who were raised, seasoned and hand-picked by the organization and men such as Plunkitt. The reason this is possible, is because Tammany functions on the level of local New York City politics and its electorates are people who earned some sort of recognition on the neighborhood level, which becomes a way for them to gain political influence in the future.

Due to Tammany’s ability to reach the youth within poor neighborhoods, they offer a way for ambitious individuals to reach a certain level of social and economic mobility using Tammany as its political platform and support system. The organizational infrastructure described and advocated for by Plunkitt, is a primary example of Tammany Hall’s model of efficiency. By controlling the local electoral system as well as organizations which provide services such as the police force, fire department, healthcare and education, Tammany maintains a monopoly over public opinion. Nixon’s reasons for resigning sheds light on the underlying nature of Tammany, and is a testimony for those who made it their goal to expose its internal corruption. According to Werner, Croker, “left Tammany Hall in a state of dissension and disruption”, which may be the reason for Nixon’s dissent toward Tammany. In January of 1902, a reporter from the Sun, quotes Nixon announcing his resignation:

I have decided to resign and my decision is absolute. My resignation will not be withdrawn under any circumstances. It is to go into effect immediately, I could not retain the leadership of Tammany Hall and at the same time retain my self-respect, and there is no political preferment that I would take in exchange for that. My resolution is unalterable. It will not be changed under any circumstances.94

What were Nixon’s reasons for resigning only four months after acquiring the most powerful position in New York’s municipal political system? What was it about the Tammany organization that he felt would compromise his “self-respect” unconditionally? Why was it

94 Werner, 482
that Werner claims Croker left Tammany in a state of “dissent and disruption? The *New York Times* reported on April 17, 1899, *An Anxious Week for Mr. Croker*. The article supposes that such anxiety is due to charges of corruption from the State’s Chief Counsel, Frank Moss, who questioned Croker on claims that he had taken part in “dishonest transactions”. The article begins by premising Moss’s claims, saying

> “we can hardly suppose that in his examination of the Tammany chief thus far Mr. Moss has been merely groping for material, that he has been seeking by questions altogether at random to make his witness expose the incriminating secrets of his career as boss”\(^95\).

This implies in a report to the general public, that it would be no surprise if corruption were found under Croker’s Tammany administration. Contrary to the accusations and accounts of Croker’s character coming from this article in the *New York Times*, Plunkitt gives a very different account of Croker in a much more positive light. There is little to no question that this is because of what Plunkitt stood for, which was the Tammany organization as a whole. Plunkitt doesn’t mention these claims that Croker is guilty of accepting dishonest graft, and since his book was written in 1905 and he claims to have been friends with Croker, one might assume he knew about such accusations.

Chapter 4: The Mob Inside and the Mob Outside

Three way conflicts of interest occur between Tammany Hall, the progressive democrats supporting Roosevelt and the Republican Party, while the mafia capitalizes on immense illegal revenue in the first four years of Prohibition.

This chapter will address the period from 1920 to 1924; a window of time with great significance in the context of the early 20th century. National Prohibition is often referred to as “the noble experiment”, a name which was used by those in favor of it during the years when the Temperance Movement had built-up immense political power on a national scale. It has been said many times that the result of this experiment caused more problems than it solved. The reason for saying this in retrospect, is because it encouraged not only an entire illegal market for organized crime, but it also encouraged people to break the law. I tend to believe that this is because the law doesn’t necessarily deter people from their present demands. Nor does it insure that a majority of people employed to enforce such laws will do so sufficiently. This is often true because people tend to act out of self-interest and therefore have a choice of whether or not to follow a certain order. In the case of Prohibition, the aspects of social life which dictated people’s activities in a place such as New York City, compared to aspects of social life in a small town, protestant, rural setting are much different. This chapter will explore political tensions which shaped a legal debate that divided the country. The body politic at this time was very large and diverse; 1924 marked a ban on large numbers of immigrants as a result of the Johnson Act, which was due to the overflow of immigrants arriving up until that point. New York City was filled with communities of European immigrants who embellished their unique drinking culture. African Americans, Russians, Germans, Irish, Italians, Chinese, Hungarians, Turkish, Jews from all over Europe arrived right around the time of World War I and Prohibition. This large influx of immigrants along with the implementation of the 18th
Amendment, immediately changed the course for all three of the organizations being looked at: Tammany Hall, the Progressive Reform Movement and the Italian-American mafia changed their models of efficiency during the first four years of this “noble experiment”. Separate from the tensions that came along with the time, between “wets” and “dries” or Democrats and Republicans, or Catholic and Protestants and Jews, or Irish and Italians, there was the continuing political struggle between those who supported the Tammany machine and those who supported a new order, which was envisioned by the Progressive Reform Movement. As it has been previously discussed, leading up to this time, there was a need for competing models of efficiency. In the early battles of the jazz age, these models of efficiency were put to the test against one another, and a decade long battle ensued between these two political ideologies, which is the old order and the new order. The old order of the nineteenth century, which consists of a powerful local government, consisting of appointed city officials who act on behalf of what is called “mob rule”. Mob rule refers to a political process in which votes are given to the candidate who can gather votes by any means necessary, whether that means paying people to vote, or extorting people into voting. The “new order” was envisioned by progressives, and intended to create a system which was transparent, in order to counter the influence of mob rule. The term “mob” here and in the title, refers two different groups with political power: the political bosses and the mafia bosses. During Prohibition, there is a transference of power over the municipal machine controlled by Tammany, once Tammany became dominated by the “mob” as in the Italian “mob”. This chapter will discuss the ways in which both sides of this ongoing struggle between the urban machine and the new federal bureaucratic system, were able to capitalize on each other’s lack of efficiency. Tammany and the mafia relying on secrecy and the new Progressive order relying on transparency; both sides were affected by others in this way.
The Last Battle for the “Happy Warrior”

Smith’s support in New York State alone gave him enough proportional votes in the Democratic Party’s national polls, to allow him to run on an anti-Prohibition platform, even though the party as a whole was more popularly in favor of Prohibition. Lerner describes how southerners regarded Smith and expressed their hate while he was campaign in the south: “As he traveled by train across the country, he looked out the window of his coach one night to see a long line of crosses burning the the Oklahoma night”. Despite this nearly two-thirds opposition to the Al Smith campaign for President in 1920 and 1924, Tammany still played a major role in bringing votes to the Democratic Party.

Smith embodied many of the things that southern voters had a harsh opposition against. Smith was an urban dweller, a product of Irish immigrants and he was catholic; southern voters opposed his very existence, because of how foreign he was to them. Lerner points out how this intense opposition to Smith lead Democrats in the south to support the Republican Herbert Hoover, who would eventually win the 1924 election. Smith not only advocated to end Prohibition in states where it was most popular, he also advocated to end sharecropping and intense segregation policies in some of the most racist southern states. Lerner argues:

The 1924 election showed that national public opinion against Prohibition had not reached the point that it had in New York, and that neither party was willing yet to make Prohibition a major issue in a presidential election. Regardless, political opposition to Prohibition was growing, and Smith remained the leading wet on the national scene. As he entered his third term as governor, Smith knew that the majority of voters in his state had no desire to see Prohibition continued. In 1926 he sponsored a statewide referendum on Prohibition in which voters urged modification of the Volstead Act by a margin of nearly three to one statewide, and by a six-to-one margin in New York City.

In 1928, Tammany had control over Albany with Al Smith in office; although Smith and Roosevelt were friends and political allies, Roosevelt later ran an anti-Tammany campaign against Smith. Smith defeated Whitman, who was the former Republican in office. Once

\footnotesize
96 Lerner, 246
97 Lerner, 241
Roosevelt succeeded Smith as Governor, his progressive politics became the ethos for the anti-Tammany progressives within the Democratic Party. Roosevelt was able to penetrate Tammany’s political fortress around New York City by finding the common “progressive” element within this opposition to the long standing mob rule tactics used by Tammany. Roosevelt became the popular candidate within New York City and throughout the Democratic Party.

Anti-Prohibition advocates wanted to make the laws more lenient, while “dries”, advocated for bills to give the government more agency in enforcing the law. Prohibition became the focal point of many disagreements which existed between multiple factions of the American voting demographics at this time. What had began as a “noble experiment” in progressive reform, became nothing less than a nationwide legal disaster. The federal government’s models of efficiency did not succeed in deterring vice, fighting crime or ending corruption and poverty. This attempt by the Temperance Movement to solve these social issues, in turn perpetuated each of these issues individually instead of seeing solutions.

The first four years of the 1920s marked a fundamental shift in the dynamic power struggle between the state and local government for control over New York City. The Progressive Reform Movement had succeeded in establishing several new federal organizations, which had been given the authority to take action against individuals involved with corrupting the local political process. Previously, this lack of federal regulation allowed for the continual growth of the nation’s urban political machines, which soon ended up fighting for control over powerful positions at higher levels of government.

As seen in the early accounts of Tammany from Plunkitt in chapter one, these powerful positions were at one point contained to within the bounds of city politics; Plunkitt held a position in the State Senate as well. The major shift occurs when New York elected Governor
Al. Smith in 1923; Smith was a prominent member of Tammany Hall and elevated the organization’s power from City Hall to the most powerful seat in the “Empire State”. Smith’s role in New York’s political climate during his four terms as Governor with the continued support of Tammany, afforded him the opportunity to run for president in 1924 and again in 1928, two races he lost the Democratic nomination to his southern opponent John W. Davis of West Virginia, and later to progressive Democratic nominee Franklin D. Roosevelt. Roosevelt nominated Smith as the Democratic nominee at the 1924 Democratic National Convention, where he famously called Smith the “Happy Warrior”.

**Harding’s Corrupt Cabinet: The “Ohio Gang”**

Uprooting municipal corruption and taking down Tammany was an important issue for most progressives, most of whom supported the Republican party and a few of which voted Democrat for the sake of candidates such as McAdoo, Davis and Roosevelt. A faction of the Democratic Party were descendents of the confederate south, some of whom supported segregation and others virulently opposed it in support of Reconstruction policy. The Democratic Party also had a stronghold in the midwest with the support of agricultural organizations and labor unions. These constituents were attracted to candidates who advocated for progressive social policies but weren’t seen as being part of the New York class of elites that supported the Republican establishment in Washington as well as in Albany. As well as there being a struggle between members of Tammany and the Progressives, there was a struggle within the Progressive Reform Movement between progressive Republicans and progressive Democrats, the latter were lead by Franklin Roosevelt and the former lead by Whitman, Johnson
and Warren G. Harding’s successor Calvin Coolidge. Coolidge took office following Harding’s death in 1923, during his third year as the 29th President of the United States.

In the years from 1920 to 1924, there were many cases wherein federal law enforcement agents as well as appointed members of the federal government, accepted bribes from wealthy bootleggers in exchange for permits to sell whiskey or immunity from any criminal charges given for violating the Volstead Act. This corruption took place on every level of government within the first four years of Prohibition. This was the case under the Harding administration, which began in November of 1921. It was discovered that Harding’s Attorney General Harry Daugherty had been indirectly accepting large bribes from a front-man named Jess Smith, who eventually committed suicide while under federal investigation. Daugherty had been taking bribes from an infamous bootlegger by the name of George Remus, known among his underworld peers as the “King Bootlegger”. Remus is best known for his illegal whiskey ring, which he referred to as “the Circle”. When the 18th Amendment passed, Remus worked as a defense lawyer in Chicago, getting paid large sums of money defending bootleggers being charged with violating the Volstead Act. Once Remus made enough money as a lawyer, having been well aware of how lucrative the practice was, he decided to take the risk himself. Remus began by moving to Cincinnati, where he began a pharmaceutical company accompanied by a trucking company, which he used to transport his product. Under the legal guise of his pharmaceutical company, Remus began to buy up medicinally bonded whiskey, all which was stored in warehouses all within a 30 mile radius of Cincinnati, which was why he chose to move there. Once Remus was able to get his hands on a shipment of bonded whiskey, he hired his own employees to hijack his own trucks and then he ran an illegal bootlegging operation by selling his own stolen whiskey on the black market. By running this “circle”, Remus became the most

successful bootlegger in the early years of Prohibition. Remus was known for using fake names and referring to himself in third person, in order to confuse his associates and to detach himself from his reputation as the most notorious bootlegger. A Times article from January 26, 1924 reports on Remus’s entrance into federal prison after being found guilty of violating Prohibition: “‘millionaire bootlegger of the Middle West,’ and eleven associates, arrived today at the Federal penitentiary... from six months to one year in Ohio prisons for maintenance of a nuisance on Dater’s farm, in violation of the prohibition act”99. Another article from later the same year, on June 8th 1924, reports on the evidence of corruption, linking Daugherty to Remus’s operation, the headline is: “Get Bootleg Checks In Daugherty Case”, and it reports,

The Senate Committee investigating former Attorney General Daugherty’s Administration of the Department of Justice examined this afternoon in executive sessions canceled checks showing bank withdrawal of $515,000, which the committee was informed was paid by George Remus, the ‘millionaire bootlegger’ for protection during the period when Remus was active. On some of the checks there are notations which indicate the identity to whom the ‘graft’ was paid and some of these persons, according to Remus, were at the time occupying official positions in the Federal Government100

Under the Harding administration, corruption seemed to be a pattern; Daugherty’s fellow cabinet member Albert B. Fall was mostly responsible for the Teapot Dome Scandal, wherein Fall, then Secretary of the Interior, allowed oil man Edward Doheny, the rights to pump, store and sell 75% of the domestic oil in this country. Doheny used the oil he got from America’s three main oil wells (Buena Vista, Teapot Dome and Elk Hills), and started the Pan-American Oil Company. An interesting fact about the Harding Administration, is that the members of his cabinet were all close childhood friends of his; they were known as the “Ohio Gang”, and they were known for these two forms of what Plunkitt would likely consider dishonest graft. This kind of corruption was occurring at the highest level of government, in the most powerful office in the nation. It was the job of the Department of Justice at the time to enforce the Volstead Act

and to enlist members of the Secret Service and the FBI to make sure that men like Remus did not thrive in the bootlegging business.

Instead of enforcing the law, Daugherty along with his conspirators used their political power as a way to manipulate the system and take graft from a man making a fortune by breaking the law. This instance of corruption, occurring on the highest level of government, shows that corruption didn’t only occur on the level of Tammany, but also within the Republican establishment. Although it is true that Harding himself was not directly involved in any corruption scandals, it was proven on two different occasions that influential members of his cabinet, men whom he had known since childhood, were caught taking large amounts of “dishonest graft” from both a bootlegger and a greedy oil man.

Despite this conspiracy lead by Daugherty, his Assistant Attorney General at the time, Mabel Willebrandt, did not engage in this kind of corrupt practice, but instead she was vigilant and honest about enforcing the law, and doing her job. A *Times* articles reports on the testimony by Assistant Attorney General Willebrandt and explains her role in exposing the details of the bribery scandal involving her boss Attorney General Daugherty and then Secretary of the Treasury Andrew Mellon. The article reports that:

One of the few times she was overruled by Mr. Daugherty was when secretary Mellon had requested of the Attorney General that a lawyer selected by the Treasury Department be permitted to prosecute a certain liquor case in Pennsylvania... ‘the defendants’ she added, ‘were indicted over a year ago and there has been no trial’... ‘Was there a sufficient reason for the appointment of the prosecutor suggested by the Treasury Department’ Senator Jones of Washington asked. ‘None sufficient to me’ Mrs. Willebrandt replied.

This part of Willebrandt’s testimony makes it seem as though she intended on putting the blame for the scandal upon the Treasury Department. The Senate Committee’s line of leading questions about Mrs. Willebrandt’s knowledge of Jess Smith’s relationship Remus and his periodic exchanges with Daugherty. The question is: “You referred to Jess Smith as a sort of servant, a valet, a ‘glorified servant.’ Now, don’t you think it rather unusual that a valet, or even a
‘glorified servant’ should have been received at the White House?’”. To which she replied, “perhaps that’s the ‘glorified’ part”\(^{101}\). The rest of the article concerns a Chicago saloon keeper who was also given a pardon from the Department of Justice under Daugherty, which she blames on “the corrupt ring of political bootleggers in Chicago”, who “put it over on the department”. Mrs. Willebrandt’s testimony, according to this article claimed that she knew nothing of the second-hand affairs between Daugherty and Remus, and by doing so she defended her boss’s character regardless. Willebrandt is known for how seriously she took her job; even if she didn’t agree with Prohibition, she was known for her vigilance and honesty in doing her personal best at enforcing the law. Willebrandt defended the reformist ethos which motivated the Temperance movement to pass Prohibition, and she gave her support to the dry southern Republican Herbert Hoover in the 1928 election.

Willebrandt is among the many figures discussed in the work of American historian Michael A. Lerner. Lerner’s book *Dry Manhattan* gives about some of the political conflicts that occurred between the federal, state and local government in the years immediately following the enactment of the Volstead Act. Lerner focuses on how New York City presented a major municipal challenge to the federal system put in place to enforce the 18th Amendment. A historical trend that Lerner looks at is some of the many instances where members of the New York Police Department had violent encounters with Federal agents stationed in New York to enforce the Volstead Act. Such conflicts were a matter of inefficiency on the side of both the NYPD and the Federal Prohibition Bureau; Lerner points out that “in the early 1920s, New York’s police officers on average earned a modest salary of $1,900 a year. Still, the corrupting influence of Prohibition on the force had been limited while the Police Department played only a secondary role in the enforcement of the Volstead Act”. As a result of this being the case,

members of the municipal court system, which was controlled by Tammany, had influence over the Police Department, which was also subject to corruption through bribery; Lerner cites Luciano’s role in paying off the local establishment in order to protect his illegal liquor rackets. Lerner writes, “Charles ‘Lucky’ Luciano, one of the city’s biggest bootleggers, was reputed to be sending $10,000 to $20,000 in weekly payoffs to the police headquarters”\textsuperscript{102}. Bribery from criminal organizations profoundly affected urban politics during this time, due to Prohibition it became very problematic for the progressive opposition to Tammany. The State’s response to the city’s increasing level of political corruption

**Enter J. Edgar Hoover**

Following the end of the corrupt Harding administration, and the dysfunctional Department of Justice under Daugherty, the new Federal Bureau of Investigation was appointed to enforce the Volstead Act. In order to succeed on this front, it required a groups of vigilant and passionate individuals who were loyal to the cause and incorruptible. The men appointed to this new and improved Bureau of Investigations wouldn’t allow private interest to get in the way of honest Federal law enforcement. As well as being incorruptible, the group had to be structured in a way that functioned efficiently, which required an intelligent leader. J. Edgar Hoover seemed to be the most qualified for this position, as described by his biographer Athan G. Theoharis,

Daugherty, a card-playing crony of the president and fellow Ohio Republican, had managed Harding’s successful primary campaign in 1920. Although manifestly devoid of intellectual distinction, he had rewarded with the attorney generalship, and the new Republican senate, despite misgivings about Daugherty’s reputation as a political manipulator went along... Hoover was superior to most of his colleagues, many for whom had no legal background. He was known to be a hard worker, while many of his cohorts, the beneficiaries of political payoffs, were clearly enjoying a free ride. Like a draft private in a regular army, he covered for the brass and allowed it to take the credit, but he exacted a price in return. He knew where the bodies were buried, and as long as Flynn [former Secret Service agent once in charge of investigating the Morello family] was in charge, he was safe\textsuperscript{103}

\textsuperscript{102} Lerner, Michael A. *Dry Manhattan: Prohibition in New York City*. Cambridge, MA: Harvard University Press, 2007., 82

The point being made here is that Hoover was qualified because he wasn’t so willing to accept graft, but he manipulated his superiors, using his knowledge of the legal system to by offering to cover up for certain people in exchange for promotions. Theoharis makes a comparison between the “crony” members of Harding’s administration and the later “G-Men” appointed by Hoover for being known for outstanding records in law enforcement. The improved and incorruptible Federal Bureau of Investigation, was the instrument for the Progressive Reform Movement, in the sense that honest law enforcement was integral to the progressive ethos. The FBI during Prohibition, under J. Edgar Hoover, marks not only a shift in material power and influence held by the Federal government, but a shift in how Federal agencies interacted with the public. According to Theoharis, due to “the creation of the Bureau of Standards and the Bureau of Domestic and Foreign Commerce, within the Department of Commerce, social and economic problems came to be defined as the product of inefficiency and incompetence”104. Theoharis makes a comparison between these new financial bureaus and the way in which the FBI functioned; “the road to success for required the ambitious Hoover to identify with the principles of ‘scientific management’ and to hone his skills as an insider bureaucrat”105. Hoover used his position to advance the goals of the Bureau, which he would later take executive control over, but prior to his organization of the FBI, it couldn’t function efficiently due to the questionable intentions of its previous leadership.

104 Theoharis, 85
105 Theoharis, 85
The New York Times’ Expose’ on Tammany Corruption

An early example of this is the popular political cartoons drawn by Thomas Nast, whose publications in the New York Times were a medium for exposing the corruption among Tammany members. Nast’s political cartoons often pointed fingers and shamed Tammany and its Catholic constituents. Nast’s visual representation showed the corrupt means of Boss Tweed and the Tammany Machine in a way that any of it’s viewers could understand. The New York Times published Nast’s cartoons during the mid to late nineteenth century. In a similar fashion, the New York Times continued to have a taste for exposing corruption throughout the period following Nast’s political cartoons. During the thirteen years of Prohibition, the style of reporting by the New York Times often sensationalized many of the events that took place as a result of the new Volstead Act. They followed certain stories in a way that built suspense and sounded somewhat like a sort of crime novel.

It was a major challenge for the federal government to enforce the Volstead Act in any effective way because their investigations were limited by the rights of the constitution, which in many ways protected organized crime, as long as they were able to maintain secrecy. Part of the ethos of the Progressive Reform Movement was to have a system of transparency between the government and its constituents. The new order envisioned by the reformists intended to weed out corruption among local political machines by exposing how these municipal systems rely on dishonest graft. Due to the fact that Tammany’s model of efficiency depended on secrecy, it became the goal of its opposition to implement transparency among Tammany’s constituents.

---

106 One of Nast’s most famous cartoons is called “Tammany Ring” and it depict Boss Tweed surrounded by men who are portrayed as different stereotypes for members of Tammany Hall. One of the men has “carpenter” on his back, another has “Keyster & Co. Gas”. These labels imply that these businessmen and common people were all part of the Tammany system, but they all point fingers at Tweed and he looks aimlessly with his hat in his hand.
Much of this work was done by progressive newspapers, whose goal it was to report on instances of political corruption.

The *Times* was one of the many actors who played a role in uprooting the systematic influence built by Tammany’s legacy beginning in the mid-nineteenth century. Their way of doing this was by keeping track of powerful Tammany members and reporting on their scandals and shortcomings in order to convince their readers that a cog in the machine isn’t working properly and that the whole system is going to collapse. An important example of this is seen in a *Times* article published on February 7, 1920, which references Tammany leader James J. Hines, Tammany ward boss who Luciano claimed patronage over. The subheading is “James J. Hines Accused of ‘Knifing Ticket and Asked to Retire’”. The *Times*’ account of Hines’ supposed loss of support from within Tammany is being reported on in a way that is clearly unsure of itself; the article begins: “A revolt, and the political and personal reason for it against Tammany Leader James J. Hines. The details of this “revolt” are loosely and insecurely reported in the second paragraph: “To what degree of strength the opposition to the leadership of Hines has reached has not fully developed, but all of the revolting leaders and braves have withdrawn from the Monongahela Club and have organized for attack at the primaries in April.” Whether or not it was true at the time that Hines was losing support, this article is clearly trying to convince the reader that the Tammany system is internally fractured and will soon see its demise. Only a month later, the *Times* reports “Murphy and Hylan at Atlantic City Deny Graft Feud”. This article does not give strict detail of what this “graft feud” is, only referring to it as “the vice controversy”, of which this article reports, that both the Mayor and the Tammany leader denied. The *Times*’ rhetoric in this article is clearly bias and clearly suspicious of why these two prominent Tammany leaders were meeting on the Atlantic City Boardwalk. The article reads,

---

“they posed together before newspaper cameras this afternoon, and seemed to enjoy the interest they aroused on the Boardwalk”: It begins with an unsuspecting tone, but in the next paragraph it continues.

They denied that they had discussed the vice controversy involving officers of the Police Department and the District Attorney’s office in New York City, or the resolution calling for an investigation of both departments, which Louis A. Culliver, a Tammany Assemblyman, has announced that he will introduce in the Legislature at Albany. Mayor Hylan, who was at the Hotel Shelburne with Mrs. Hylan and Mr. and Mrs. Grover A. Whalen, said that his intention to come here was not known before his arrival to any but his immediate party. He explained that Mrs. Hylan, who is in ill health, will remain here and that he expected to return here next Thursday or Friday to stay over Easter.108

This kind of reporting is an example of how the *Times* had a tendency to speculate and sensationalize matters when they involved members of Tammany, especially in this case. The language contained within this article, is evidence of how the New York Times made it their job to follow and report on the movements of these conspicuous politicians. What this article is really about, is the Mayor of New York City and the leader of a powerful political party, two men who are known allies and part of the same establishment, spending time together away from New York City and they get followed by the *Times* and questioned about a scandal involving matters that are being reported on in an unclear way. The *Times* reports in a suspecting tone, which questions the “intentions” of the article’s subjects, and speculations about why these two men are together in this setting. The Mayor and Mr. Murphy “posed together” and “they denied that they had discussed the vice controversy”. It is clear based on this kind of reporting, that the *Times* wanted to give their reader a reason to think about the possibility of collusion and accomplished this by taking every possible opportunity to expose corruption.

The *Times* did in many ways reflect the anti-corruption sentiments supported and fought for by the Republican establishment. For example, the forty-fourth Governor of New York was Charles S. Whitman, a republican who was elected New York City District Attorney in 1910 for

his renowned vigilance in prosecuting police corruption. Whitman was elected Governor in 1912, and after serving two terms, lost against Al Smith in 1920. After losing his position as Governor, Whitman decided to run for President and nearly defeated Warren G. Harding in the primary race of 1920 for the Republican nomination. Another newspaper at the time, The Independent, did a short profile on Whitman in a 1914 publication; the title is “The First Republican Governor of New York Since Hughes”. The article celebrates Whitman, especially focusing on his notable success in “prosecuting corrupt police officials— notably Charles Becker, convicted of the murder of Herman Rosenthal... His election is interpreted as a fresh rebuke to Tammany, disastrously defeated last November after the removal of Governor Sulzer from office”. This same edition celebrates Governor Hiram Johnson, who was Theodore Roosevelt’s running mate in 1912 and also “like Whitman, made his reputation in the prosecution of graft cases”109. The way in which these profiles are displayed is by printing a large picture of these individuals with small captions which applauding Whitman and Johnson’s contribution to the progressive vision of having transparency in government.

Progressive Republicans such as Whitman, Johnson, Theodore and Franklin Roosevelt had very different values than the southern reformist views of Democrats such as Wilson, McAdoo and even Davis. Interestingly, from both sides of the aisle, these different parties had the similar goal of taking down the Tammany machine. They each had their own reasoning for wanting to do so, and they each used different political strategies: outside of the party in the case of the former group and from inside the party. The Progressive Reform Movement was very internally divided on many political issues. There were internal disagreements about its leadership, its locality and its value system. It was divided on issues such as Prohibition, issues of race and issues of immigration policy.

Chapter 5: The Chairman and the President

Charlie “Lucky” Luciano solidifies power over La Cosa Nostra around the same time Franklin D. Roosevelt solidifies his Presidency; both implement their own models of efficiency, using their executive power to improve their organizations.

Who Killed “The Clutch Hand”?

Certain stories, such as the assassination of Giuseppe Morello (then under the name Peter Morello at the time) in 1930 were told differently by Luciano and by Valachi. It is the mafia historian’s job to investigate what their stories have in common, and what information isn’t corroborated by the other’s testimony. Once Morello got out of jail he used the name Peter (or Pietro) and shaved his iconic mustache to blend in with the new age. Upon his exiting from Sing Sing, Morello was given a position in Masseria’s cabinet. There are two things in common with these two primary sources: One is that both of these men were imprisoned at the time where they gave their accounts, and both of interviews took place around thirty years after the time of the events.

According to the report “Case No. 1266 of 23rd Precinct of New York City... at about 3:30 pm... killed in his office at 362 East 116th Street by persons unknown. Cause of death: multiple gunshot wounds. Also killed was Giuseppe Pariano” According to Valachi, “‘this Morello was tough. He said he kept running around the office, and Buster had to give him a couple of more shots before he went down...August 15th 1930...two assassinations by Marzano’s men and by the Reina loyalists now led by Tom Gagliano’”\(^{110}\).

The account given by Luciano takes place in a more relaxed setting since he was in Sicily, away from his enemies and associates as well as not speaking under oath. Luciano’s

reflection of Morello’s murder goes kind of differently. At this point in 1930, the mafia is in the heat of the Castellammarese War and Luciano’s unsure which boss to get behind, but is more so thinking about which one to take down first. Luciano was informed about the possibility for this hit by Albert Anastasia, someone who Luciano says, “I knew I could count on him and I knew he would kill for me”. Anastasia promised Luciano that: “You’re gonna be on top if I have to kill everybody for you…”, Anastasia continues, I gotta warn you, you gotta get rid of Pete Morello before anybody else”. The reason being that “Pietro ‘The Clutching Hand’ Morello was a veteran gunman and Masseria’s constant body guard and shadow. His elimination was, indeed, a necessity and Luciano handed that assignment to Anastasia and Scalise”, Luciano confirms the same scenario as Valachi, but identifies different individuals involved. Luciano seems to directly take the credit, whereas Valachi tell his questioner that Gagliano was responsible.

The New York Times reported a very similar story relating to Morello on the same day. Their story appears to be much less corroborated since they don’t mention a specific suspect. This article informs the reader that the only clue came to police from Morello’s upstairs neighbor, Mrs. Mary Lima, who only heard the shots. This article tells us that “fifteen shots fired” and “five of them hit Morello, two Perrano and the rest went into the walls” However this article does manage to include a concise history of Morello’s criminal record, relating his name back to the 1903 “Barrel Murder Mystery” and giving details about the Terranova family. The article reads:

“Morello, who was married and had five children... was a step brother of the ‘artichoke king’ who became well known in the Magistrate Vitale case.... Terranova at his home in Pelham denied last night that Morello was his step-brother or any relation of his. Terranova declared that he knew nothing about the shooting, except what he had read in the papers, and that he was ‘not interested’

Terranova’s response to this line of questioning is not surprising considering how much is known about the code of omerta. Also the fact that Terranova was being questioned by the

111 Gosch, 128
media, it would make sense that he would not reveal any information. Besides telling the reader only what was told to them by the police, this article does not give much relevant information other than details about the victim. The way this article is framed it sums up Morello’s life story and includes past stories related to his criminal career. They seized this last opportunity to address the mythology attached to Morello’s name, such as the “Barrel Murder Mystery”, his counterfeiting operation, and how he was incarcerated in Sing Sing for nine years.

**News for Lucky and the Mayor**

In the same way that *The New York Times* capitalised on any possible opportunity to connect the trail of mafia-related murders which occurred throughout the 1920s and into the 30s, they also published stories that closely follow the common affairs of Tammany politicians who were suspected of involvement in corruption scandals. The *New York Times* made sure their readers were updated almost daily regarding the state of the controversial Seabury Investigation, which was lead by an anti-Tammany Judge Samuel Seabury with the guidance of Franklin Roosevelt. *The New York Times* published a letter from Seabury to Roosevelt, concerning the state of affairs in the Mayoral office of Jimmy Walker. Seabury writes:

> “the Mayor [Mr. Walker], in violation of the provisions of section 1533 of the Greater New York Charter, was the owner of ten $1,00 debenture bonds of the Reliance Bronze and Steel Corporation, convertible stock of the corporation at the election of the holder thereof, with which corporations the city of New York, on or about February 3rd 1931, entered into a contract for the purchase price approximately $43,000”

Seabury is claiming that Walker was involved in a scandal that proved he had been taking a lot of money from private interest and planned to build a legal case against Mayor Walker. This lawsuit resulted in Walker’s resignation and it lead Seabury to more of the corruption behind the political machine, meaning the mafia. Luciano prepared to pay a price to be overlooked by

---

Seabury, he says, “the first thing we did was put together a bundle of over two million in cash to buy off Seabury, to let him take a vacation and let things cool down”114.

Luciano had little reason to worry about with Seabury, but he underestimated the 44th Governor of New York and the soon to be 32nd President of the United States, in remarking that: “there wasn’t a chance for Roosevelt to get delegates from the city without makin’ a deal with Tammany, and in 1932 Tammany was run by guys like me and Frank Costello”115. Although Luciano also said he “had a funny feelin’ about Roosevelt” and that “when it came down to it, Roosevelt would have the edge. I respected him because came from that group of society guys I got to know real well down in Palm Beach and up in Saratoga, and they was educated people.” To Luciano and Costello’s surprise, Roosevelt was not convinced by Seabury, but he did condemn corruption and graft116.

As previously discussed, mobsters of Luciano’s status had the money to pay for the special interest of Tammany politicians. Without a higher authority such as Murphy or Croker, who tended to control each candidate’s platform, Luciano was able to manipulate parts of the now decentralized political machine. Tammany ward bosses, such as Hines and Marinelli, would protect Luciano and other bootleggers and club owners. Luciano describes how and why Seabury and the New York Times this became a threat for La Cosa Nostra once Walker was caught.

From 1925 to 1932 Prohibition continued to perpetuate many of the problems which were immediately caused by the Volstead Act. This time period was one that proved the true harms of national Prohibition. Social and political tensions had been building up between the corrupt and incorruptible. The FBI functioned as an instrument for carrying out the reformist vision, dedicated to a model based on temperance, centralized law enforcement, and individual

114 Gosch, 160
115 Gosch, 159
116 Gosch, 161
leadership. The tool used for this new order was surveillance and intelligence as well as conducting raids on saloons, speakeasies and warehouses.

These raids were conducted almost daily by the FBI and were often reported by the New York Times. Awareness of the government interference had made Prohibition seem invasive and unjust to those who didn’t value temperance. Discontent for the degree of government surveillance and security measures in the later half of the decade, lead to a shift in public opinion which was opposed to Prohibition. Mitgang and Luciano agree upon their separate accounts of the Seabury Investigation, which was also aimed to persecute Luciano and his conglomeration of Jewish crooks and Italian wise guys. When Luciano finds out that Seabury is backed by Roosevelt, he and Costello discuss the possibility for Seabury to be bought. Gosch captures Luciano’s account of how Roosevelt needed support from Tammany to get the 1932 Democratic nomination as well as his concerns on Seabury investigation into Mayor Walker’s affairs and his outlaw associates:

So they [Luciano and his colleagues] were certain that Roosevelt would eventually be forced to come to Tammany, and so to them. When he did, they knew exactly what kind of terms they would exact. The corruption that had flourished in New York City had reached the point during the administration of Mayor James J. Walker where it could no longer be ignored. Judge Samuel Seabury, a distinguished Democrat who years before lost a bid for his party’s gubernatorial nomination when Tammany turned against him, had been appointed to investigate civic corruption, and his revelations were making news headlines.\footnote{Gosch, 159}

Mitgang gives a secondary account of the relationships which Luciano recalls from memory. Walker’s public image during the time before his scandal brought attention to the problems surrounding Tammany Hall. The Seabury Investigation took place in 1932, leading to the end of Walker’s term as Mayor. The Seabury Investigation was instrumental in uncovering and disrupting the extent to which local politics had become corrupted by organized crime and the machine. From the perspective of Tammany’s interest, the Seabury Investigation is the accumulative consequence of the utmost inefficiency, caused by internal conflict. In this case, a
former influential member of Tammany took-up a progressive position against the organization, because for whatever reason, “Tammany turned against him”.

**Problems Caused by Solutions**

Considering the immediate urban problems caused by an uproar of political corruption and increase in organized crime, the temperance lobby lead by the congressman from the Anti-Saloon league William Anderson, successfully encouraged congress to pass the Mullan-Gage Law in 1921, to push local police to get involved with the federal fight for temperance. Prohibition began to rethink their current models of efficiency in order to try and keep up with the vastly expansive criminal network that grown significantly in the first four years of this “noble experiment”. In an attempt to improve the extensive police corruption among the NYPD and other urban municipal police forces, Lerner explains how NYPD officers now found themselves to be the target of physical attacks from patrons of nightclubs and club goers. Prior the Mullan-Gage Act, these attacks had tended to be directed only toward Prohibition agents, but now became the problem of every NYPD officer on their beaten path. Lerner explains how this law simply made corruption worse because it tried to force a state or city employee to act on behalf of a federal law that was mostly unpopular among the public. It’s hard to imagine the amount of time and resources it would have taken for Prohibition to have successfully stopped what was happening in New York City. Lerner argues that the Mullan-Gage Law did the opposite of what it was supposed to, which was to open up the doors for more corruption and more discontent, only adding to the tension already created by the unpopular Prohibition laws:

---

118 Lerner, 76
119 Lerner, 80
By 1923, the deleterious effects of the Mullan-Gage Law on the NYPD had grown so pronounced they prompted City Magistrate Joseph E. Corrigan to complain that the law had ‘debauched the police force of this city and caused an orgy of graft, perjury, and corruption...Before long, the NYPD was embroiled in scandals rivaling those that haunted the Bureau of Prohibition... Like Prohibition agents, some police officers also began selling confiscated liquor to saloons and restaurants. Others became partners in bootlegging schemes, riding with drivers on beer and liquor trucks 120

Lerner gives the reader a good idea of how these systems were set up in a bureaucratic way that couldn’t have possibly been practical at the street level. Wealthy and influential reformers used their political power to impose laws in places that they couldn’t personally relate to, but by passing federal laws, they were affecting everyone in big diverse cities where the protestant “dry” reformers are only a small minority. It became clear at a very early point that it wasn’t possible to force temperance upon New York City’s amalgam of people from different drinking cultures and ethnic cohorts that kept the illegal liquor market bountiful in New York City.

**How To Please the Whole Party**

The arguments made by the urban progressives were of course very different from that of the rural progressives. One thing they both commonly advocated for was the improvement of the public sector as a way to balance out the national political economy. Farmers and businessmen wanted protection from financial fraud and the greed of Wall Street. The main difference was that rural progressives tended to advocate toward passing government regulations on agriculture in order to prevent monopolies from forming. These two factions of progressivism within the Democratic Party represented two different political backgrounds and ideologies competing for control. Wiebe describes how urban reformers and rural reformers viewed the issue of poverty from very different perspectives, which is significant for how these different groups shaped their respective notions of progressive reform:

“Rural poverty and disease were just as obvious and as appalling in their setting as slum squalor...At the center of [the reformers'] discontent lay a fairly simple condition. A patchwork government could no longer manage the range of urban problems with the expertise and economy that articulate citizens now believed they must have. In one of the grand ironies of the era, the reformers described their opposition..." 120 Lerner, 84
as a devilishly effective pact between bosses and businessmen. Of course urban progressives were systematizers and their opponents the slovenly, albeit sometimes democratic governors. The typical ally of the boss, moreover, was a marginal operator anathema to the chamber of commerce.\(^{121}\)

During the late 1920s into the early 30s, Franklin Roosevelt made a huge advancement toward accomplishing the progressive goal of establishing a political-economy based on efficiency, compromise and transparency. Similar to the strategy used by Davis in 1924, Roosevelt remained silent when it came to his stance on Prohibition during the 1932 convention. There were “wets” and “dries” on both sides of the aisle, and most of the Irish Catholic Democrats tended to support whomever was the Tammany candidate. Regardless, the 18th Amendment was repealed by the 21st Amendment on December 5th 1933, two months after Roosevelt took office. The reason had become very apparent to most New Yorkers long before the new amendment was added. Mitgang explains that the correlation between the end of Prohibition and the beginning of the New Deal were “meshed” because Roosevelt’s plans focused more on “breaking the bonds of criminality” than preventing the growth of a legitimate business.\(^{122}\)

By running on this moderate platform, Roosevelt gained political traction as Governor of New York because of his popularly supported policy plan to bring “The New Deal”. The New Deal was something that appealed to urban, as well as rural, progressives and labor unions because it helped farmers as well as low-wage industry workers. The benefits specifically mentioned limiting work hours for women and children. This plan included what Roosevelt saw as “the needs of the day”:

> ‘A real eight-hour work day and forty-eight-hour week for women and children in industry. The establishment for them of an advisory minimum or fair wage board. The extension of workmen’s compensation to give its benefits to all occupational diseases. The continuation of such provisions of the emergency rent laws as are necessary. Declaration by law that the labor of a human being is not a commodity or an article of commerce’\(^{123}\)

---

\(^{121}\) Wiebe, 166-167

\(^{122}\) Mitgang, 36

\(^{123}\) Mitgang, 57
Roosevelt broke the barrier within the Democratic Party between Tammany in the north, and Wilsonian Democrats in the south, by creating an economic plan that satisfies both their interests and appeals to their values. In doing this he was able to settle a historical power struggle in American politics, between federalism and anti-federalism, something very few politicians have been able to do. As a powerful member of the Democratic Party, and Governor of New York, Roosevelt was able to change the ethos of the political machine to appeal to progressive Democrats by convincing them that he could change how the machine worked and made it better.

With the support of Tammany and many progressives, Roosevelt’s campaign brought him to the general election, which resulted his first term. Mitgang argues that even the progressive Roosevelt benefitted under Murphy’s leadership, despite Roosevelt’s known opposition to the Tammany establishment, and his mistrust of political machines, he was able to stay away from by leaving the city.

"the editorial [New York Times Editorial] exaggerated Roosevelt’s anti-Tammany position as that time [1920]. It was Charlie Murphy, the Tammany boss, who had engineered the Roosevelt nomination for vice president in 1920. A candidate tied to Al Smith and Jimmy Walker could not help being linked to Tammany Hall but, as a resident of Hyde Park in Dutchess County, F.D.R. was not under control of the Manhattan leadership. Nevertheless, the new governor recognized Tammany’s vote-counting ability in city and state affairs. Indeed Mayor Walker had nominated Roosevelt for governor at the party’s state convention and campaigned for him."

What Mitgang is saying is that Roosevelt was able to stop the machine politics from the outside by getting in favor with its boss, Charles Murphy, and at the same time introducing a progressive platform which catered to the interest of many Tammany constituents. Mitgang is arguing that Roosevelt was handed an opportunity to run for governor, and he used this opportunity to run on a progressive platform, which didn’t bow to the interests of Republican. The New York Times Editorial, which Mitgang cites as being exaggerated read:

---

124 Mitgang, 15
“Governor-elect Roosevelt is within reach of the Democratic party’s leadership...Born a Roosevelt and a Democrat by preference, he first won his spurs by opposing Tammany as a State Senator”125.

Roosevelt of course was an exception, and a disruption, to the entire foundation that Tammany relied on, which were candidates who addressed the interests of Tammany. Roosevelt happened to be popular among Tammany’s constituents and was in good favor with some of it ‘s progressive leaning members, he was also never explicit about his relationship with the Tammany bosses. Roosevelt was able to shift the political climate within Tammany to make room for a progressive platform to be run by New York’s Democratic Party, which had usually relied on traditional machine politics126.

In the last few years of Prohibition (1928-1932) many conflicts played out both within the mafia, and between the mafia, Prohibition agents and, in some cases, NYPD officers. Violence often broke out during raid encounters between New York City’s pedestrian drinking populis and Federal Prohibition Agents. One notable encounter that stands out in the reports by the *New York Times* was published January 4th, 1929 reporting on the raid of several speakeasies by Police Commissioner Grover Whalen, a known Tammany employee. For each of which an exact address is mentioned and all of them were within a six hour time span. This was arguably successful in the sense that Whalen did exactly what the Mullan-Gage Law says. None of the addresses mentioned in the article seem to be of much significance to Luciano or other members of La Cosa Nostra. There seems to be a sort of disagreement between how Luciano remembers Whalen and the way he was portrayed in

125 Mitgang, 14

"As a freshman senator, he led a challenge to the Tammany bosses who sought to elect one of their own to the United States Senate (senators from New York were at that time elected by the state legislature)."
headlines. For example: “Whalen’s Raiders Close 60 places”\textsuperscript{127} and “Whalen Reports Sharp Drop in Crime, Gangs Broken Up”\textsuperscript{128}

The growing unpopularity surrounding the 18th Amendment became a point of daily discontent for New York City’s casual drinkers and club goers. Lerner’s chapter titled “\textit{Vote as You Drink}” gives detailed descriptions of why this was the case. The Federal Bureau of Prohibition was arranged under the Department of Justice and the FBI, as a special task force meant to investigate bootleggings rings and arrest anyone caught violating the Volstead Act.

An individual who was closely associated with Mayor Walker was a famous New York City club owner by the name of Texas Guinan, known formally as Mary Louise Cecilia. Guinan was a known for being the host and co-owner of Larry Fay’s famous “300 Club” which was a notable Prohibition speakeasy. The collusion which went on as a result of these powerful relationships was exactly what the Progress Reform Movement aimed to stop by implementing regulations on Wall Street, and laws that would stop mob rule from controlling politics. Mitgang describes the relationship between Walker and Guinan, as well as kind of people who patroned their clubs:

Whenever the Feds padlocked one, she opened another, and another. There Jimmy rubbed elbows with athletes, socialites, Wall Street brokers, politicians, and mobsters who had grown semi respectable by ‘importing’ Canadian whiskey and even backing Broadway shows... Not surprisingly, the speakeasy world was closely tied to bootleggers, organized crime, and some Tammany politicians, Miss Guinan’s partner; a Hell’s Kitchen hood named Larry Fay, was linked to Owney Madden, the town’s biggest bootlegger. Madden, who had friends in the Tammany clubs on the West Side, was not a man to be crossed. He usually found it sufficient to exercise only silence muscle against rival gangsters. It was rumored that he considered Legs Diamond-- the Hotsy Totsy Club owner and Arnold Rothstein’s former bodyguard- anathema because the flamboyant Legs called too much attention to his colleagues in the underworld \textsuperscript{129}

This social scene brought together club owners, bootleggers, mobsters and Tammany politicians, as well as entertainers, athletes and musicians from all over New York City, which of course attracted people from around the world. These kind of powerful relationship show how politics and bootlegging were sitting together among New York City’s elite, and very illegal

\textsuperscript{128} “Whalen Reports Sharp Drop in Crime, Gangs Broken Up
\textsuperscript{129} Mitgang, 90
social scene. This relationship also shows the high-society demand for alcohol, and therefore a necessary reliance on bootlegging and organized crime. The way in which these organizations chose to handle inefficiencies, became a point of weakness that the progressive opposition was able to exploit. Like his predecessors, Luciano was not opposed to using silent murder to hide himself from federal law enforcement. In the same way Tammany Hall used political exile to rid its members of men who spoke out against graft and municipal corruption. During this period, in Tammany Hall, and the Italian mafia, secrecy remained the key to maintaining efficiency.
Conclusion

Prohibition teaches a lesson about progress; when ideas of progress manifest into inefficient or oppressive systems, the values influencing these systems need to be re-evaluated. In the end, Roosevelt won the White House and brought together the Democratic Party because he was able to re-evaluate the two sides of this debate, which divided the party. What Roosevelt found was a dichotomy between the traditional American economy and and the new one. On one hand there is the economy of the rural American farms and pastures. On the other hand to there is New York City’s urban landscapes that were home to America’s dense immigrant population which made up shipping and manufacturing, printing, entertainment and banking industries.

During the 1924 Democratic National Convention, we see how this polar difference prevents the party from unifying behind one candidate. The significant differences between the candidates and their constituents made it impossible for either side to reach a compromise and their power became null. Not including the improvements to public health, the earlier attempts for temperance lead by Protestant zealots and reformers was a failed attempt at centralizing the organization of American government. They tried to impose laws which they thought to be justified by morality, but this goal got in the way of individual freedoms.

After a certain point there was no question that the system created by Prohibition had failed. This was mostly true for the people who envisioned that these laws would solve social issues related to alcoholism the same way they solved issues related to public health and education reform. The ratification of the 18th Amendment worked out in the favor of the mafia and especially their teer of mysterious leaders and crooked politicians. Tammany ran according to a model of efficiency which was based on strictly pragmatic values. Tammany’s
leaders opposed Prohibition because it was making social life and economy in the city almost completely illegal. Once Charles Murphy died, there was nothing stopping the mafia bosses from stepping behind the scenes of the political machine and controlling its system.

The reformers envisioned an ethical model of efficiency, motivated by transparency and moral values. Part of accomplishing this transparency meant exposing the corruption which was rampant in the urban political scene. Progressives feared that Tammany politicians were becoming increasingly susceptible to corruption and therefore built a system of secrecy to protect themselves. The system which also passed laws for the sake. This contrast shows a competitive back-and-forth between the urban machine and the reformers for control over political models of efficiency. Tammany preferred more of an anti-federalist view on politics by maintaining favor among municipal voters.

Roosevelt was able to fit in within the models for both sides of the Democratic party and established policies which helped both sides of the isle. Roosevelt was able to bring Congress together in a similar way to how Luciano was able to bring the mafia together under the order of “the Commission”. Roosevelt and Luciano both had their own visions for unity and efficiency that they brought with their leadership. Luciano’s model brought together the younger generation of Italian mobsters and created a space where centralized decisions could be made among decentralized factions.Unlike Roosevelt, Luciano did not need to compromise for his power because he was able to use secrecy and murder to ensure control over La Cosa Nostra.

As for the question of whether or not to trust our primary sources, it has been shown that information coming from inside and from the media are only sometimes accurate, the inside accounts are necessarily a more authoritative view on the truth behind these secretive organizations. I would argue based on the evidence that Luciano’s story is questionable, but it can only be completely true or
completely false, because he tells his story within the mafia in detail. The reason I am convinced of this is because in the 1930 Morello murder case, Luciano gives the most believable and reliable story compared to the *Times*, which got its information from a brief police report. Valachi’s account actually seems less reliable despite the fact that he was speaking under oath. In fact, according to *omerta* this makes it more likely for him to lie. Luciano had less of a reason to lie because he wanted to tell all of his story to Gosch and Hammer, because he was already in Exile.

In conclusion, this investigation into the mob rule of Tammany Hall and the Italian mafia, along with an opposition from their reformist opposition, has shown that models of efficiency had a different meaning for all three of these groups. Their opposition to one another helps construct a narrative connecting all three of them in specific sequence of related events. In the end, Roosevelt’s populist reform politics and plan balance the strength of big businesses with the strength of the middle class and giving support from the public sector. In both cases where Democrats omitted to take about their views on Prohibition, those candidates became more successful than the ones who took a stance on “wet” versus “dry”. This issue seemed insignificant compared to the issues of the New Deal, which aimed at uplifting the country from the Great Depression, and creating an efficient balance between agricultural and industrial interests within the national network of political economy.
Bibliography


